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DATE: August 18, 2010

TO: Chairman and Members of the Community Development Commission

FROM: Economic and Community Development Department

SUBJECT: **ADOPTION OF RESOLUTIONS CERTIFYING A FINAL ENVIRONMENTAL IMPACT REPORT (EIR) AND APPROVING TENTATIVE MAP (T-200-07), DEVELOPMENT PLAN (D-201-07), CONDITIONAL USE PERMITS (C-200-07 & C-204-07) AND REGULAR COASTAL PERMIT (RC-202-07) FOR A MIXED-USE DEVELOPMENT CONSISTING OF 24 RESIDENTIAL CONDOMINIUM UNITS, 127-UNIT HOTEL AND A 3,000-SQUARE-FOOT RESTAURANT LOCATED AT 1103-1105 NORTH COAST HIGHWAY AND ADOPTION OF A STATEMENT OF OVERRIDING CONSIDERATIONS PURSUANT TO CEQA GUIDELINE 15093 – HYATT PLACE - APPLICANT: SHANTU PATEL**

**SYNOPSIS**

The items under consideration are the certification of an EIR, a Tentative Map, Development Plan, Conditional Use Permits and Regular Coastal Permit for a mixed-use development consisting of a 127-unit hotel, 24 residential condominium units and a 3,000-square-foot restaurant located at 1103-1105 North Coast Highway and the Final Environmental Impact Report (EIR) for the Hyatt Place development. Staff is recommending certification of the EIR and approval of the Tentative Map, Development Plan, Conditional Use Permits and Regular Coastal Permit, and adoption of the resolutions as attached.

**BACKGROUND**

The subject site consists of one approximately 2.5-acre parcel. The site currently maintains an 80-unit motel and restaurant which will be demolished as part of this development.

Site Review: The buildable portion of the subject site is a relatively flat mesa; however, the western portion of the site slopes steeply down in a northwesterly direction to the San Luis Rey River valley. Elevations range from a high of 60 feet above mean sea level (MSL) located on the northeastern portion of the site (adjacent to N. Coast Highway) to a low of 14 MSL located at the southwestern portion of the site. The project proposes to export approximately 28,000 cubic yards of soil for the proposed underground parking garage.

Surrounding land uses include the commercial motels located south and north of the subject site, I-5 located east of the site, residential uses located southwest and the San Luis Rey River located north of the site.

**Public Outreach:** The scoping meeting for the EIR was held on March 13, 2008, at the City's Community room's downtown. The draft EIR was available to the public on April 20, 2009, with the public review period extending to June 5, 2009. For the public hearing, the City notified the Townsite Neighborhood which includes over 5,000 mailings in addition to the standard 1,500-foot property owner and tenant notification.

**Land Use and Zoning:** The subject site is located within Subdistrict 7B of the "D" Downtown District. Subdistrict 7B is primarily intended to provide for a recreational and commercial uses conveniently located near recreational and residential areas. Residential uses are allowed as part of a mixed use project.

**Mixed-Use Development Plan:** The applicant is proposing the use of the Mixed-Use Development Plan in conjunction with the proposed Tentative Map, Development Plan, Conditional Use Permits and Regular Coastal Permit. The purpose of the MUDP is to provide flexibility in the application of development standards "where flexibility will enhance the potential for superior urban design." Accordingly, an approved MUDP will establish the development criteria for the approved mixed-use project. The maximum density within a MUDP project is 43 dwelling units per acre. The project proposes a density of 28.9 dwelling units per acre.

**Regular Coastal Permit:** This project is situated within the Coastal Zone and requires a Regular Coastal Permit. Under the provisions of the Local Coastal Plan the project site is designated as Coastal Dependent, Recreation, and Visitor Serving Commercial. Typical uses are motels, hotels, restaurants and beach rentals. The proposed motel, restaurant and residential mixed-use development are allowable uses within this zone. The proposed development is subject to the low/moderate replacement housing requirement because the project proposes more than three residential units.

**Project Description:** The project application consists of several components, which include a Tentative Map, Development Plan, Regular Coastal Permit and Conditional Use Permits. Each discretionary request is described as follows:

**Tentative Map, Conditional Use Permits, Regular Coastal Permit and Development Plan:** The "mixed use" project proposes 24 residential condominium units, 127-unit hotel and 3000-square-foot restaurant. The project provides a total of 220 parking spaces (49 for the residential component and 171 for the hotel and restaurant) in underground parking garages as well as a surface parking lot. The project also proposes to obtain from the City an Encroachment Removal Agreement (ERA) for a portion of North Coast Highway (approximately 3,000 square feet) bringing the total site area to 2.8 acres. The proposed ERA is triangular in shape and is excess land located adjacent to North Coast Highway immediately south of the bridge. The applicant is proposing to landscape the vacant area.

**Residential Component:** The project proposes to subdivide the existing 2.5-acre lot into two lots with the residential lot (Lot 2) approximately .83 acres in size, situated in the southwestern portion of the subject site. The proposed 24-unit residential building is four stories high (59-feet high) situated above a (mostly) below-grade, gated, parking garage with 49 parking spaces for condominium use only. The project proposes a modern design as evident by the geometric shape, smooth stucco finish and expansive use of glass.

The project is required to provide a minimum of 4,800 square feet of private/common useable open space. The project provides approximately 6,900 square feet of common/private useable open space. In addition, a secured pedestrian bridge will serve as a pedestrian link between the east and west parcels, affording condominium resident access to the hotel’s recreational facilities including pool, spa, outdoor terraces and restaurant.

Vehicular access to the residential condominium will be from North Coast Highway via a separate driveway located on the southern portion of the subject site.

Outlined below is a comparison chart summarizing the required residential development criteria with the proposed project:

	MINIMUM REQUIRED	PROPOSED
LOT SIZE	5,000	36,086 s.f.
SETBACKS		
*Front	10 feet	32 feet
Side	10 feet	35 feet
Corner	10 feet	12 feet
Rear	5 feet	10 feet
Density	43 du. ac. (Maximum)	28.9 du. ac.
PARKING	48 spaces	49 spaces
BUILDING HEIGHT	65 feet (Maximum)	59 Feet

\*Development standards are established through the mixed-use development plan.

Outlined below is the residential unit breakdown:

<i>Plan Type</i>	<i>Sq.Ft.</i>	<i>Bedrms.</i>	<i>Baths</i>	<i>Units</i>
Plan 1	1,461	2	2.5	4
Plan 2	1,490	2	2	16
Plan 3	1,528	2	2	4
			Total	24

**Commercial Component:** The 2-acre commercial component (including the easement land) will consist of a four-story (61-foot high) building which will house both a hotel and restaurant and be situated above an underground garage. The restaurant will be constructed at the east end of the building and will have a separate entry point from the hotel. In addition to the 127 guest rooms, the hotel also proposes a fitness room, two meeting rooms and a laundry room. The hotel and restaurant component will provide a total of 171 parking spaces of which 148 parking spaces will be contained in the underground garage with 23 surface parking spaces including 7 handicapped parking spaces (6 handicapped parking spaces are required for a project of this size). The hotel has a Mission Style design as evident by the arches, low-hipped roof, and stucco exterior. The building design also incorporates a lighthouse tower which complements the famous Harbor Village lighthouse.

The project requires a minimum of 15 percent landscaping and the project provides 26 percent landscaping. The project proposes a variety of trees and shrubs including palm, silk and coral trees with shrubs to include Day Lilies, Kangaroo Paws and Agave. The slopes will be re-vegetated with native plant species including coyote bush and coastal sage scrub. In addition, the project proposes several landscape features including a plaza with trellis arbor and bench, gateway fountain, restaurant queuing plaza, potted plants and enhanced paving.

The project also proposes a public observation deck located on the northeastern portion of the subject site which overlooks the San Luis Rey River, Harbor and Pacific Ocean. *The deck will be connected via the sidewalk located along North Coast Highway, allowing public access to the panoramic views.* Amenities on observation deck: bench, trash bin, viewing scope and interpretive signage

Outlined below is a comparison chart summarizing the required commercial development criteria with the proposed project:

	MINIMUM REQUIRED	PROPOSED
LOT SIZE	10,000 sq. ft.	85,378 sq. ft.
*SETBACKS		
Front	5 feet	5 feet
Side	0 feet	45 feet
Rear	0 feet	5 feet
PARKING	170 spaces	171 spaces
Floor Area Ratio (FAR)	3.0 (Maximum)	1.1 FAR
BUILDING HEIGHT	65 feet (Maximum)	61 feet

\*Development standards are established through the mixed-use development plan.

Conditional Use Permits: Conditional Use Permits are required for the operation of the hotel, additional building height and the reduction of parking spaces for the commercial component only.

Regular Coastal Permit: A Regular Coastal Permit is required because the subject site is located within the coastal zone.

**Environmental Review:** Due to the significance of the project and its location, staff thought it was appropriate for the applicant to submit an Environmental Impact Report (EIR); therefore, the proposed development has been through an extensive environmental review process. A public scoping meeting was held on March 13, 2008, where approximately a dozen people attended. A Notice of Preparation identifying the scope of issues was issued February 19, 2008. On April 17, 2009 the 45-day public review period commenced and ended June 5, 2009. A total of four letters were received during the review period and are attached along with the response within the Final Environmental Impact Report (FEIR).

The Final Environmental Impact Report (FEIR) has been prepared for the proposed development and 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).

The issues that were identified and addressed in the FEIR are as follows:

- A. Aesthetics
- B. Biological Resources
- C. Cultural and Paleontological Resources
- D. Geology and Soils
- E. Hydrology/Water Quality

- F. Land Use
- G. Noise
- H. Transportation/Traffic

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 two alternatives evaluated are: (1) no project alternative and (2) reduced project 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 development project 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 would not result in significant visual impacts or visual character of the area. A View Analysis was conducted to depict the existing conditions of the site and to compare those with the simulated images of conditions which would result from the proposed development. The proposed project would be considered to be an improvement upon the existing visual character of the site, in that the hotel will be built within the boundaries of the existing developed footprint. In addition implementation of the proposed development would enhance the visual character of the property and public views through landscaping and provision of a public observation deck.

**Biological Resources:** A biological Resources Technical Report and Impact Analysis were prepared for the proposed project. A total of 2.32 acres would be impacted by the proposed development, however, the vast majority of the land is disturbed oak chaparral, eucalyptus woodland and ground cover, none of which is sensitive habitat. No sensitive or special status plants, wildlife species or suitable habitat will be impacted by the grading. No significant impacts to special status wildlife species or special status plants would result from development of the subject site.

**Cultural and Paleontological Resources:** An historical, cultural and paleontological analysis was conducted on the subject site. The result of the analysis indicated that

there are no cultural resources and the existing buildings onsite do not qualify for nomination to any historical register. 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.

**Geology & Soils:** A geotechnical investigation was undertaken at the subject site. The subject consists of a mixture of fill material consisting of silty sand. The report recommends over-excavation and the fill material to be compacted at 95 percent of maximum density, in addition to monitoring by a registered geologist during excavation and grading.

**Hydrology and Water Quality:** A Storm Water Management Plan and a Hydrology Report were prepared for the proposed development. 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 and that storm water quality control devices be incorporated into project design to collect sediment and other pollutants. Mitigation of water quality impacts including 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 slope and channel protection, trash storage, minimized impervious footprint, and conservation of natural resources, as appropriate, will be employed.

**Noise:** An acoustical analysis was prepared for the subject site. Significant noise impacts to the project site would result from traffic-generated noise. Mitigation measures would be implemented to reduce potential impacts from construction noise and traffic-generated noise to below a level of significance.

**Traffic, Circulation and Parking:** A traffic analysis was prepared for the development. The proposed project would generate only 862 new ADT. The increase in new ADTs is below the threshold for significance, therefore, no mitigation is required. It should be noted that North Coast Highway maximum capacity at the subject site is 25,000 ADTs. Currently, North Coast Highway (at the subject site) is operating on less than 10,000 ADTs or less than half of its maximum capacity.

**Significant Unmitigable Impacts:** The proposed development's impacts related to climate change cannot be mitigated to below a level of significance, even if the mitigation measures are implemented.

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

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 are attached to this report as part of the resolutions recommended for adoption.

## **ANALYSIS**

Staff's analysis focused on the compatibility of the project with existing development patterns of the area and the project's consistency with the underlying Redevelopment Plan, Coastal Plan, and Zoning Ordinance.

As proposed, the Hyatt Place development meets or exceeds the development requirements for minimum lot area, lot width, setbacks, landscaping and open space. The subject site is located in the North Coast Highway commercial corridor where traditional land uses have been highway-oriented such as hotels, motels, restaurants, service stations and drive-through restaurants. The proposed mixed-use commercial component consisting of hotel and restaurant is consistent with the land uses typically found on North Coast Highway. The proposed residential component acts as transition area from commercial to the adjacent Subdistrict 7A which is a high-density residential zone. In addition, the residential component is also adjacent to the 96-unit Seacliff residential condominiums which are located southwest of the subject site. Several new projects have been proposed within the Redevelopment Project area with similar uses and mix of product type and two have recently been built (Oceanside Terraces and Ocean Village).

Redevelopment Plan: Section 301 of the Redevelopment Plan states that the Agency proposes to eliminate and prevent the spread of blight and deterioration by redevelopment of land through private enterprises. The proposed project is consistent with the Redevelopment Plan in that it redevelops underutilized property by providing new visitor-serving commercial and residential uses.

Mixed Use Development Plan (MUDP): The project conforms to the requirements of a MUDP as stipulated in Section 1230 KK of the Downtown District Regulations in that, at 28.9 dwelling units per acre, the project is well below the maximum density of 43 dwelling units per acre. The project provides an overall superior design that would not be possible if the project were either a single commercial and/or residential use. The residential component of the project requires additional open space which has resulted in the project providing additional open space which would not be realized in a single-use commercial development. In addition, the residential component adds architectural features such as balconies and patios which would not be typical components of single-use commercial buildings. These architectural features also have the added effect of "breaking up" the buildings which provides a more comprehensive design and human scale to the building.

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". The proposed project provides a range of hotel prices ranging from low to high (per the Coastal Commission standard), a restaurant, meeting facilities, fitness room and laundry on the eastern portion of the site adjacent to the North Coast Highway corridor.

The development as proposed would not eliminate any existing public access. Public access is provided along Costa Pacifica (SeaCliff Development) to the bicycle/pedestrian trail located west of the subject site south of the San Luis Rey River.

Staff also evaluated the proposed project and its effect on public coastal views. Staff was concerned regarding the potential of limited public coastal view for the public traveling north or south on Interstate 5 because of the proposed development. Due to this concern, the applicant submitted a View Corridor Study. The hotel and restaurant building is setback 25 feet from North Coast Highway and is approximately 25 feet south of the previous building's footprint; coupled with the southwestern orientation of the building, staff believes the potential for public view blockage will be minimal from both Interstate 5 and also the surrounding neighborhood.

The Local Coastal Program Section IV. San Luis Rey River Specific Plan, A. Coastal Act Policies: B. Summary of Major Findings: Analysis of River Area Opportunities: 9. states the following:

The San Luis Rey River area offers excellent views of wildlife and natural landscapes.

The Objectives and Policies C. state the following objectives:

- The City shall maximize public access in the San Luis Rey River and environs consistent with natural resource values.
- Low-cost recreation and visitor-serving facilities shall be a priority land use in the river area, commensurate with public demand for such facilities.
- The City shall protect, maintain and enhance the river's existing sensitive habitats.
- New developments shall be sited and planned in a manner which utilizes the San Luis Rey River environs to the fullest, but retains the aesthetic and resource values present.
- Maintain adequate buffers surrounding sensitive habitat areas, using setbacks, fencing and/or vertical separation.
- New development in the river area shall incorporate to the maximum extent feasible native and/or drought tolerant plants into project landscape design.
- Require new bluff-top development in the river area to maintain an adequate buffer from the bluff edge.

Section VI. Visual Resources and Special Communities B. Summary of Major Findings 3. states the following:

- There are no developed vista points in Oceanside, although several locations seem to meet this purpose.

The Objectives and Policies C. states the following objective:

- The City shall protect, enhance and maximize public enjoyment of Coastal Zone Scenic resources.

Consistent with the Coastal Act Policies, the development will construct a public observation deck located on the northern portion of the subject site which overlooks the San Luis Rey River, Harbor and Pacific Ocean. The deck will be connected to the public sidewalk along North Coast Highway, allowing public access to the panoramic views. The project also meets the LCP objectives and policies by incorporating the following criteria into the project design:

- The buildings are setback from the northern edge of the bluff by a minimum of 25 feet thereby preserving the bluff and protecting public views;
- The bluff/sloped areas will be re-vegetated with native plant species including coyote bush and coastal sage scrub;
- The project provides a 127-unit low, moderate, and high-priced hotel;
- The project creates a public vista point overlooking the San Luis Rey River, Harbor and Pacific Ocean;
- The project does not propose any grading of the bluffs or slopes, therefore, the project will conform to the contours of the existing bluff;
- The project is located 90 feet (at its closest point) from the 100-year flood zone;
- Preserves the sensitive habitat of the San Luis Rey River area by providing non-invasive native drought-tolerant plant species adjacent to the San Luis Rey River and on the bluff slopes.

Conditional Use Permit for the Operation of the Hotel: Staff believes that the recommended conditions will ensure operation and maintenance of the hotel use in a manner compatible with the existing and potential uses on adjoining properties and the surrounding area.

Conditional Use Permit for the Reduction of Commercial Parking Spaces by 20 Percent: Section 3105 of the Oceanside Zoning Ordinance allows for the reduction of parking spaces by a maximum of 20 percent upon approval of a Conditional Use Permit and that two findings are met which are as follows:

1. The proposed parking spaces are less than the parking space ratio as established in Section 3103 of the Oceanside Zoning Ordinance.
2. The long-term occupancy of the building will not generate additional parking demand.

The commercial component of the project requires a total of 213 parking spaces (153 parking spaces for the hotel and 60 parking spaces for the restaurant). A 20 percent reduction of the parking spaces is 43 parking spaces, or a total of 170 parking spaces. A parking analysis was submitted that indicated that this project, due to shared parking,

requires 170 parking spaces and the project provides 171 parking spaces. The long-term occupancy of the building will not generate additional parking demand in that any proposed commercial uses allowed by the Zoning Ordinance within Subdistrict 7B will be required to provide parking spaces at the parking space ratio established by Section 3103 of the Oceanside Zoning Ordinance. The residential component is providing the required parking per the Zoning Ordinance.

Height: Subdistrict 7B is restricted to a maximum height of 45 feet; however, a height of 65 feet is allowed upon approval of a Conditional Use Permit where the following criteria have been met:

- . Architectural elevations shall vary in height;
- . The development footprint cannot exceed 35 percent;
- . Roof lines shall vary in pitch for visual relief;
- . The maximum achievable elevation shall not extend for the entire roof line of the given building.

The proposed project elevations vary in height between 59 and 61 feet with alternating pitch and flat roofs. In addition, the development footprint totals only 30 percent of the subject site.

Local Coastal Program Lower Cost Visitor Serving Policy: When the City processed a Local Coastal Plan Amendment, the Coastal Commission added a requirement that “The City shall monitor the LUP requirement to insure that a minimum of 375 lower cost units shall be maintained in the Coastal Zone by reporting the status of the current number of lower cost units within the Coastal Zone within all staff reports containing a Regular Coastal Permit, and shall be forwarded to the Coastal Commission”.

The Coastal Commission staff has determined a range of pricing when determining affordability. Currently, in order for a Coastal accommodation to be considered “lower cost” during peak season the price per night cannot exceed \$108.35, a moderate price is considered between \$108.35 - \$159.48 and high cost would be over \$159.48.

The current breakdowns of units within the City of Oceanside are as follows: 533 lower-cost, 142 moderate, and 52 high cost visitor-serving located within the Coastal Zone. The proposed project will eliminate all 80 of the existing lower cost rooms; however, will add back 25; therefore, the net change to the lower cost unit’s results in a new total of 478 lower cost units. The proposed project will increase the number of moderate cost units by 51 for a new total of 193 moderately priced units and will increase the number of high cost by 51 for a new total of 103 high cost units (see attached Coastal Hotel table).

The proposed project gives the City a far better spread of visitor serving units in all segments; where previously the City had very few moderate or high cost units.

Smart Growth: The project utilizes several principles of Smart Growth design by combining residential and commercial uses, shared parking, providing visitor

accommodations adjacent to major transportation corridors (Highway 101, Highway 76 and Interstate 5) and transit station (Oceanside Intermodal Transit station).

In conclusion, staff believes that the project meets the intent of the Redevelopment Plan, Zoning Ordinance, and the underlying Subdistrict goals, which encourages the development of mixed-use projects and brings much-needed new hotel units as well as new residents to the downtown area. The design of the project is consistent in both the height and scale of development within the surrounding neighborhood. The proposed project is consistent with the quality of design of the newer hotel developments located along the North Coast Highway corridor.

### **COMMISSION OR COMMITTEE REPORTS**

The Redevelopment Design Review Committee (RDRC) reviewed the project at its December 19, 2008, meeting and approved the project on a 5-0 vote with the added concern whether the applicant can maximize or increase the views from the bar and dining area of the restaurant and concern with the management of the parking.

The Redevelopment Advisory Committee (RAC) reviewed the project at its June 16, 2010, meeting and approved the project unanimously with one condition. The condition is regarding the residential component that no unit shall be rented on less than a 30-days basis. The developer has agreed to this condition and it has been added to the resolution.

### **FISCAL IMPACT**

The proposed project will add approximately \$245,000 of tax increment yearly to the project area upon build-out. The project will generate approximately \$550,000 annually in Transient Occupancy Tax. In addition, the project will create approximately 170 temporary construction jobs and 35 full-time permanent jobs.

### **CITY ATTORNEY'S ANALYSIS**

Pursuant to Oceanside Zoning Ordinance Article 12, Section (KK), the Community Development Commission is authorized to hold a public hearing on the application for a Mixed Use Development Plan in accord with the provisions of Article 43. Additionally, pursuant to Oceanside Zoning Ordinance Article 4102 and 4305 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 Hyatt Place 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 creation of full-time jobs, short-term and secondary service jobs; enhanced visitor-serving and redevelopment opportunities and increased City revenues through redevelopment property tax increment and transient occupancy taxes.

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

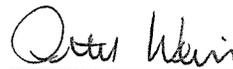
1. Adoption of a resolution certifying the Final Environmental Impact Report (FEIR) and adopting the Environmental Findings and Issuing the Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program (MMRP); and
2. Adoption of a resolution approving Tentative Map (T-200-07), Development Plan (D-201-07), Conditional Use Permit (C-200-07 & C-204-07) and Regular Coastal Permit (RC-202-07).

PREPARED BY:

SUBMITTED BY:



Kathy Baker  
Redevelopment Manager



Peter A. Weiss  
Executive Director

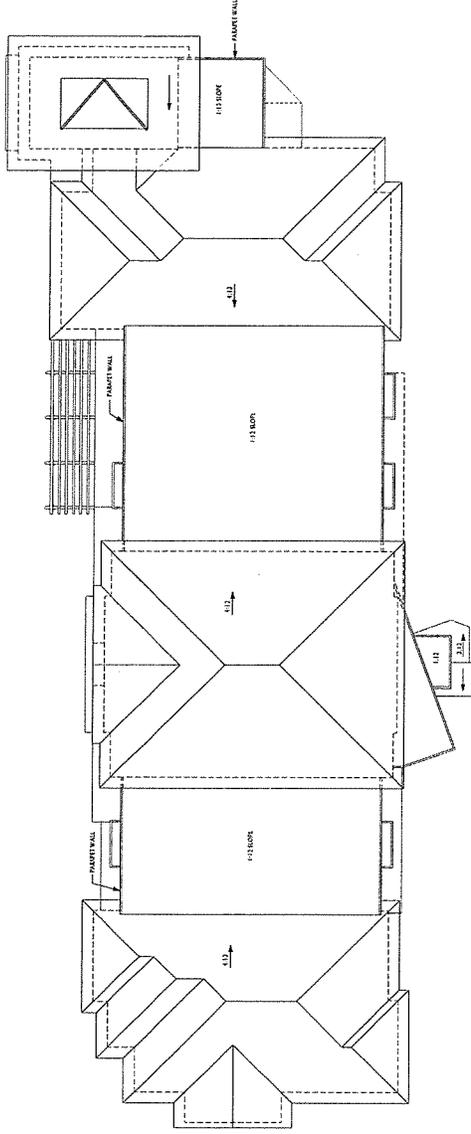
REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager  
Jane McVey, Economic and Community Development Director

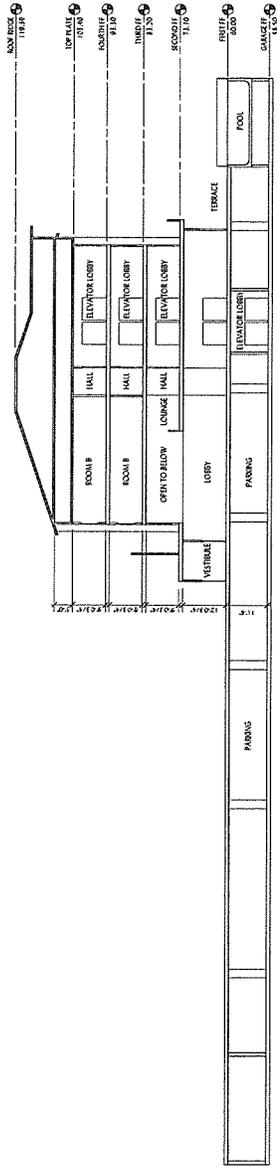


**EXHIBITS/ATTACHMENTS**

1. Site Plans/Floor Plans/ Elevations
2. Resolution certifying the Final Environmental Impact Report (FEIR) and the Mitigation Monitoring and Reporting Program (MMRP)
3. Resolution approving Tentative Map (T-200-07), Development Plan (D-201-07), Conditional Use Permits (C-200-07 & C-204-07), Variation (V-201-07) and Regular Coastal Permit (RC-202-07)
4. FEIR (previously distributed under separate cover)
5. Letters
6. Oceanside Coastal Hotels table



**1 ROOF PLAN**  
 Scale: 1/16" = 1'-0"

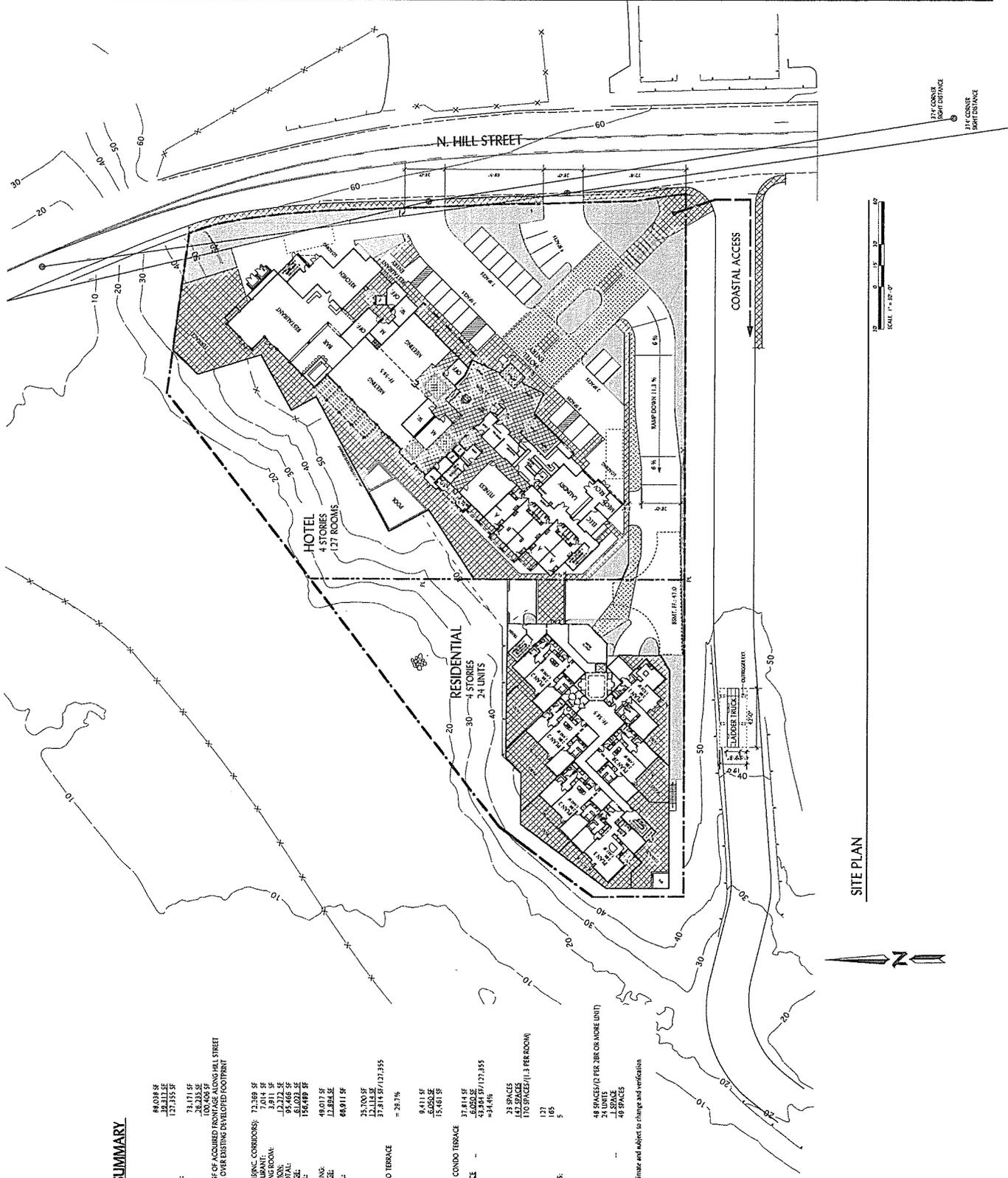


**2 SECTION**  
 Scale: 1/16" = 1'-0"



**HYATT PLACE OCEANSIDE**  
**SITE PLAN**

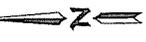
JOB NO.	04.03.07
DATE	04.03.07
DRAWN BY	PK
CHECKED BY	APR
REVISIONS	



**DEVELOPMENT SUMMARY**

<b>SITE AREA:</b>	HOTEL: 86,038 SF	ROOMING CORRIDORS: 71,269 SF
RESIDENTIAL: 28,411 SF	RESIDENTIAL: 127,335 SF	MEETING ROOM: 3,811 SF
TOTAL BUILDABLE AREA **: 114,449 SF	HOTEL: 73,171 SF	COMMON: 12,272 SF
RESIDENTIAL: 26,235 SF	RESIDENTIAL: 65,023 SF	MEETING ROOM: 3,811 SF
GALE: 156,489 SF	TOTAL: 138,046 SF	GALE: 11,824 SF
NOTE: ** BUILDABLE AREA OVER EXISTING DEVELOPED FOOTPRINT		TOTAL: 68,911 SF
<b>BUILDING AREA:</b>	HOTEL: 25,700 SF	TERRACE: 9,411 SF
RESIDENTIAL: 12,113 SF	RESIDENTIAL: 12,113 SF	HOTEL: 6,602 SF
TOTAL: 37,813 SF / 121,255	LOT COVERAGE W/O TERRACE = 29.7%	TOTAL: 75,061 SF
<b>LOT COVERAGE:</b>	HOTEL: 25,700 SF	LOT COVERAGE W/ CONDO TERRACE: 37,813 SF
RESIDENTIAL: 12,113 SF	RESIDENTIAL: 12,113 SF	TOTAL: 66,626 SF
TOTAL: 37,813 SF	RESIDENTIAL TERRACE: 43,854 SF / 127,335	TOTAL: 110,480 SF
	TOTAL: 81,649 SF	
<b>HOTEL PARKING:</b>	23 SPACES	
UNDERGROUND: 157 SPACES	TOTAL: 180 SPACES / (1.3 PER ROOM)	
ROOFS PROVIDED: 137		
SPACES REQUIRED: 165		
ADDITIONAL SPACES: 5		
<b>RESIDENTIAL PARKING:</b>	48 SPACES / (2 PER OR MORE UNIT)	
UNDERGROUND: 1 SPACE	TOTAL: 49 SPACES	
OF UNITS: 48		
QUEL: 48		
TOTAL: 49		

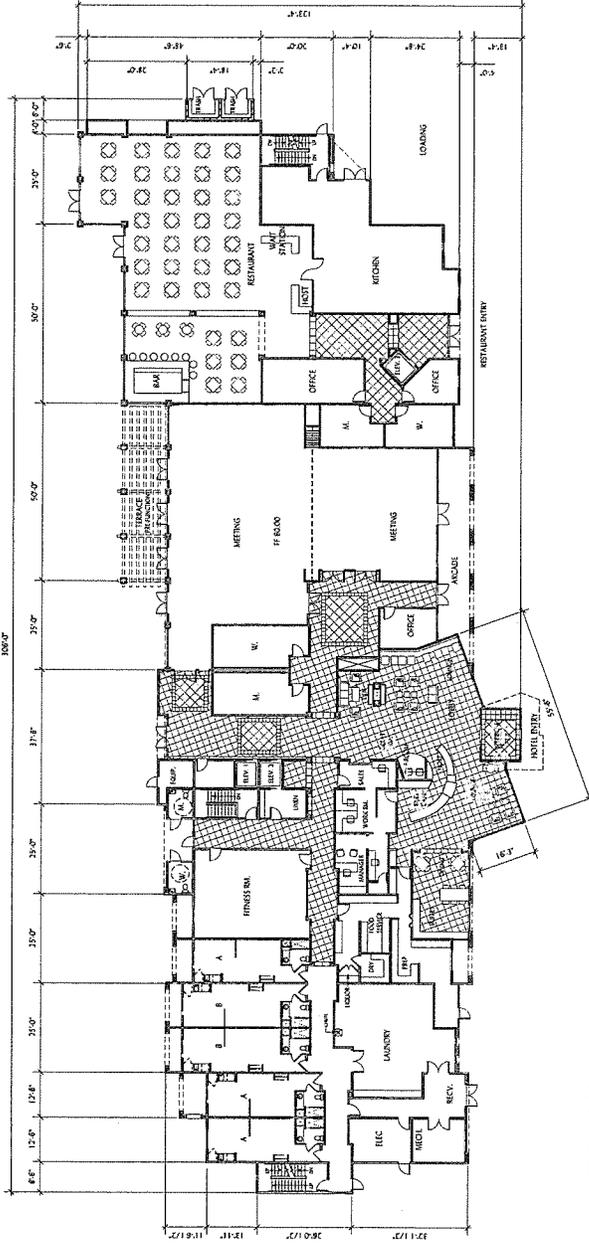
Note: All square footages are approximate and subject to change and verification.



SITE PLAN

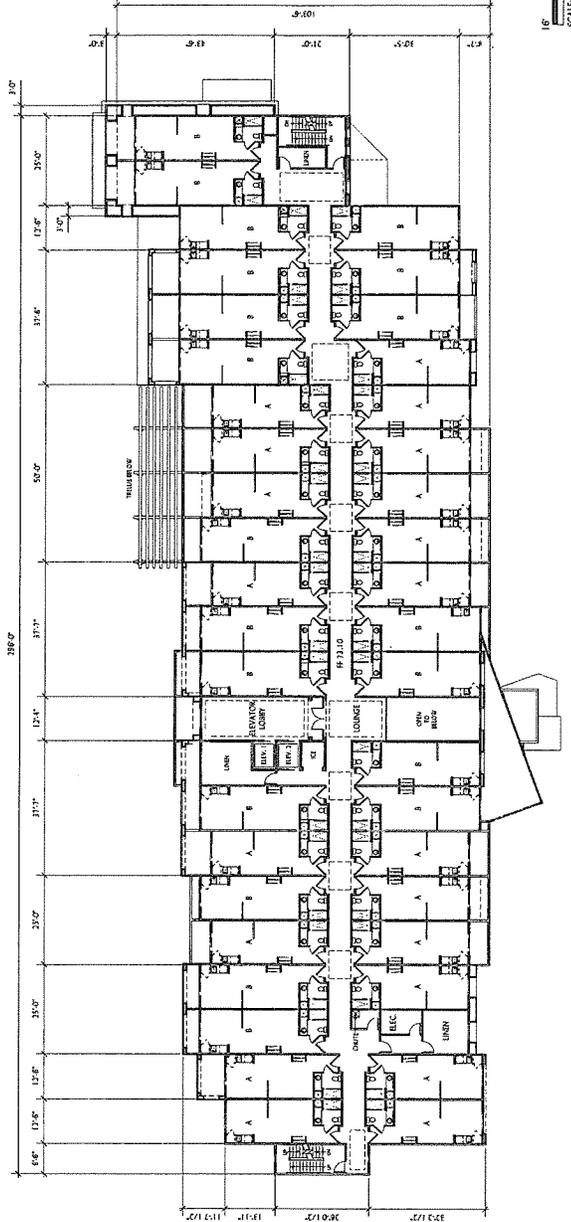
SCALE: 1" = 30'-0"

ROOM NO. 68706	ROOM DATE 04.03.07
DATE 04.03.07	DRAWN BY APTA
REVISIONS	CHECKED BY APTA



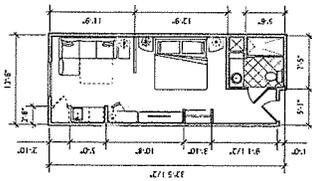
ROOM A: 1 UNITS  
 ROOM B: 2 UNITS  
 TOTAL: 3 UNITS  
 HOTEL TOTAL: 121 UNITS

1 FIRST FLOOR PLAN  
 Scale: 1/16" = 1'-0"

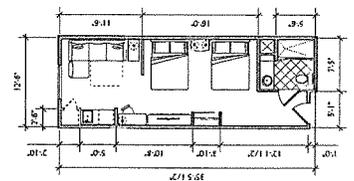


ROOM A: 20 UNITS  
 ROOM B: 20 UNITS  
 TOTAL: 40 UNITS

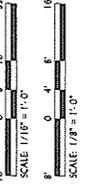
2 SECOND FLOOR PLAN  
 Scale: 1/16" = 1'-0"

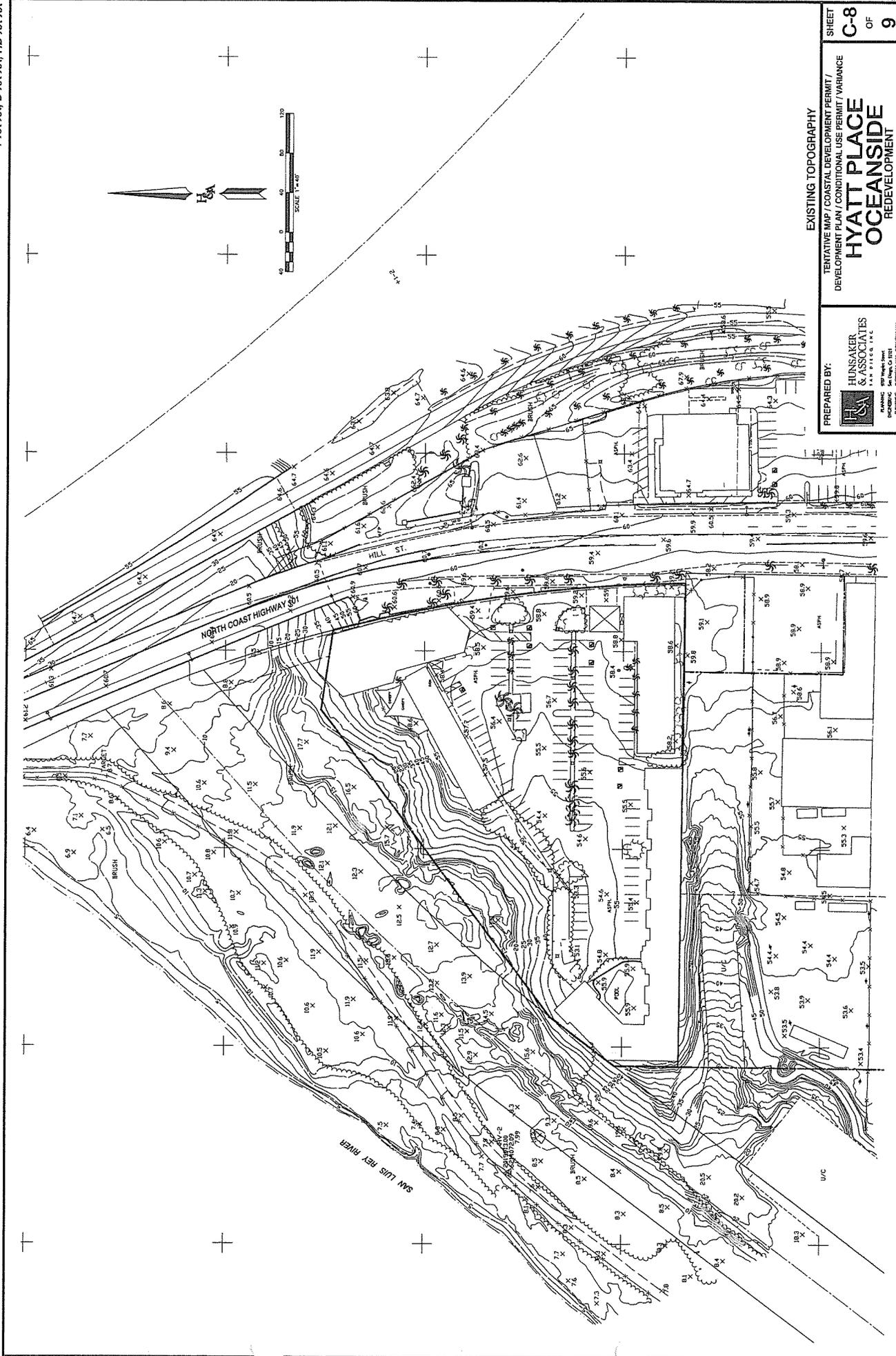


3 ROOM A  
 Scale: 1/8" = 1'-0"



4 ROOM B  
 Scale: 1/8" = 1'-0"







**PROJECT SUMMARY**

ITEM	QUANTITY	AC	% OF SITE
TOTAL SITE AREA	10,422.1	2.37	100%
PERMITTED COVERAGE	25,700	0.58	71%
AVAIL.	20,000	0.45	58%
IMPERVIOUS AREA	20,000	0.45	58%
IMPERVIOUS COVERAGE	15,000	0.34	43%
IMPERVIOUS COVERAGE	5,000	0.11	13%
IMPERVIOUS COVERAGE	10,000	0.23	25%
IMPERVIOUS COVERAGE	15,000	0.34	43%

**ARCHITECTURAL SUMMARY**

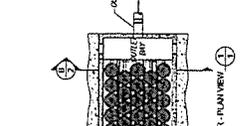
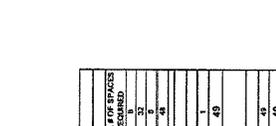
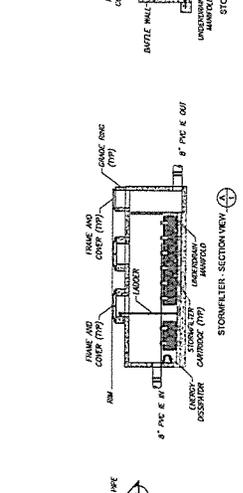
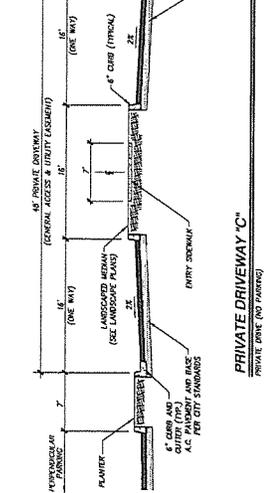
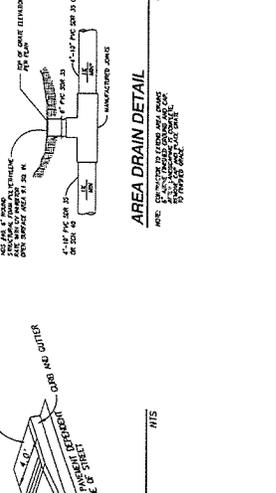
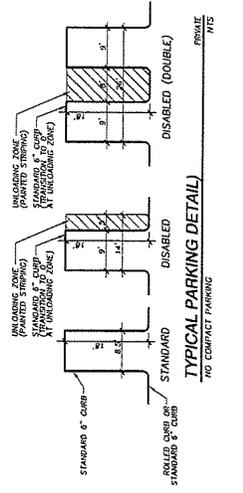
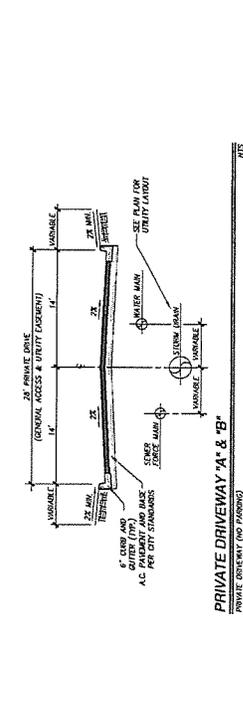
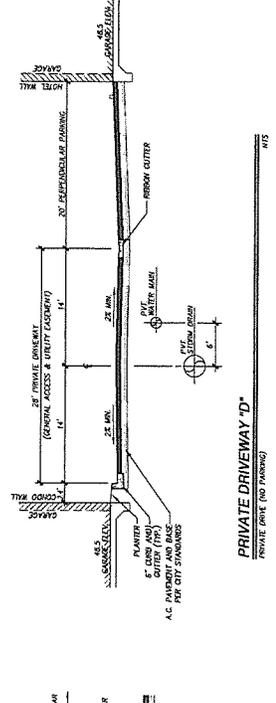
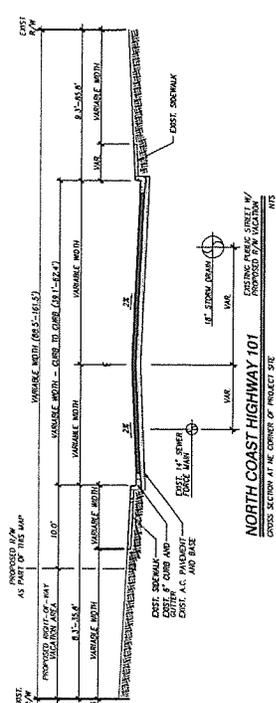
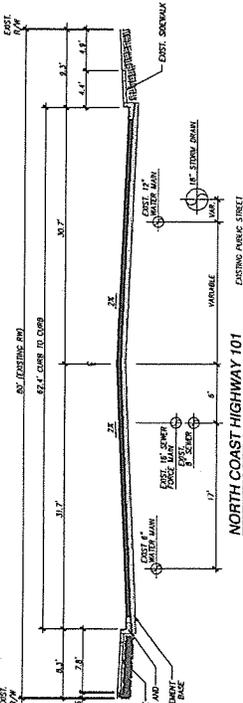
PLAN TYPE	# OF UNITS	UNIT AREA (S.F.)	TOTAL UNIT AREA (S.F.)
1	4	1529	6112
2	2	1461	2922
3	2	1461	2922
TOTAL	8		11,956

**HOTEL PARKING SUMMARY**

ROOM TYPE	PER ROOM	TOTAL ROOMS	TOTAL SPACES REQUIRED
127	1.3	165	214.5
PARKING PROVIDED		23	23
UNASSIGNED SPACES		191.5	191.5
TOTAL SPACES PROVIDED			214.5

**RESIDENTIAL PARKING SUMMARY**

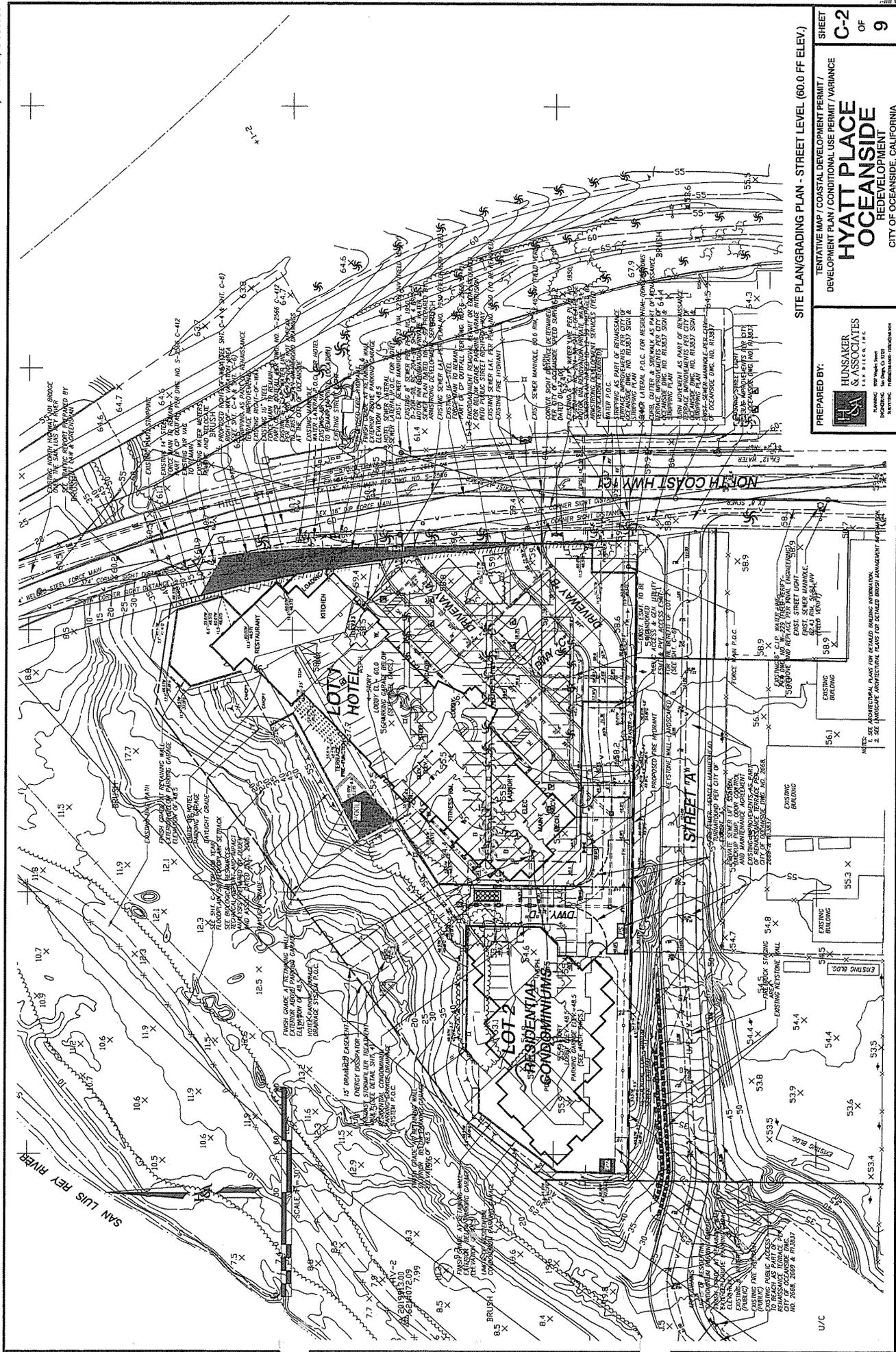
UNIT TYPE	# UNITS	# SPACES REQUIRED	TOTAL SPACES REQUIRED
1	2	4	4
2	2	4	8
3	2	4	12
TOTAL	6	12	24
UNITS	6	12	12
TOTAL REQUIRED SPACES			40
PARKING PROVIDED			40
UNASSIGNED SPACES			0
TOTAL SPACES PROVIDED			40



**STORM WATER TREATMENT UNIT**  
 STORMFILTER UNIT W/ CARTRIDGES  
 FOR ILLUSTRATION ONLY - NOT TO BE USED FOR CONSTRUCTION PURPOSES

**DETAILS**





**PREPARED BY:**  
  
**HUNSAKER & ASSOCIATES**  
 1111 S. G ST., SUITE 100  
 OCEANSIDE, CA 92054  
 PHONE: (760) 434-1111  
 FAX: (760) 434-1112  
 WWW: HUNSAKER.COM

**TENTATIVE MAP / COASTAL DEVELOPMENT PERMIT / DEVELOPMENT PLAN / CONDITIONAL USE PERMIT / VARIANCE**

**SITE PLAN/GRADING PLAN - STREET LEVEL (60.0 FF ELEV.)**

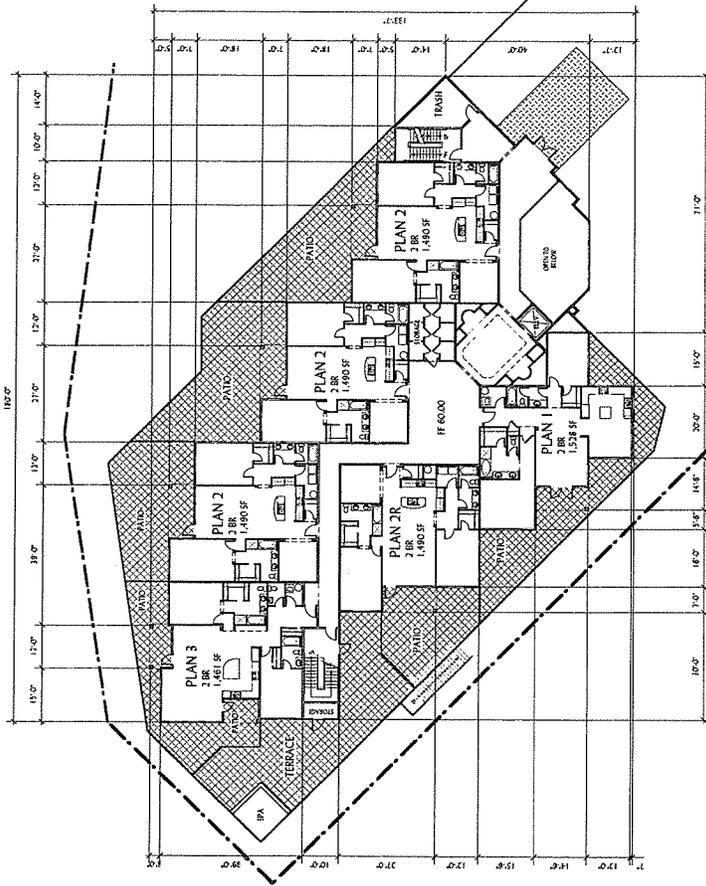
**SHEET C-2 OF 9**

**HYATT PLACE OCEANSIDE REDEVELOPMENT**  
 CITY OF OCEANSIDE, CALIFORNIA

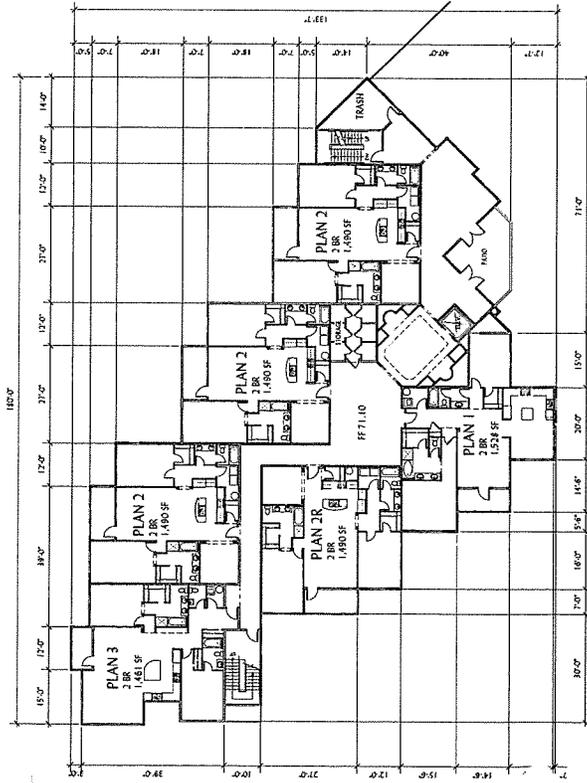
**NOTES:**  
 1. SEE ARCHITECTURAL PLANS FOR RETAINED BUILDING INFORMATION.  
 2. SEE GEOTECHNICAL ARCHITECTURAL PLANS FOR RETAINED BRUSH HANGERS.

U/C

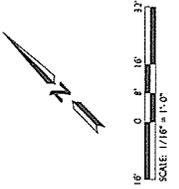


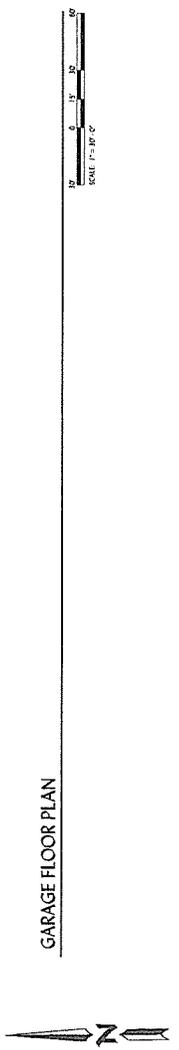
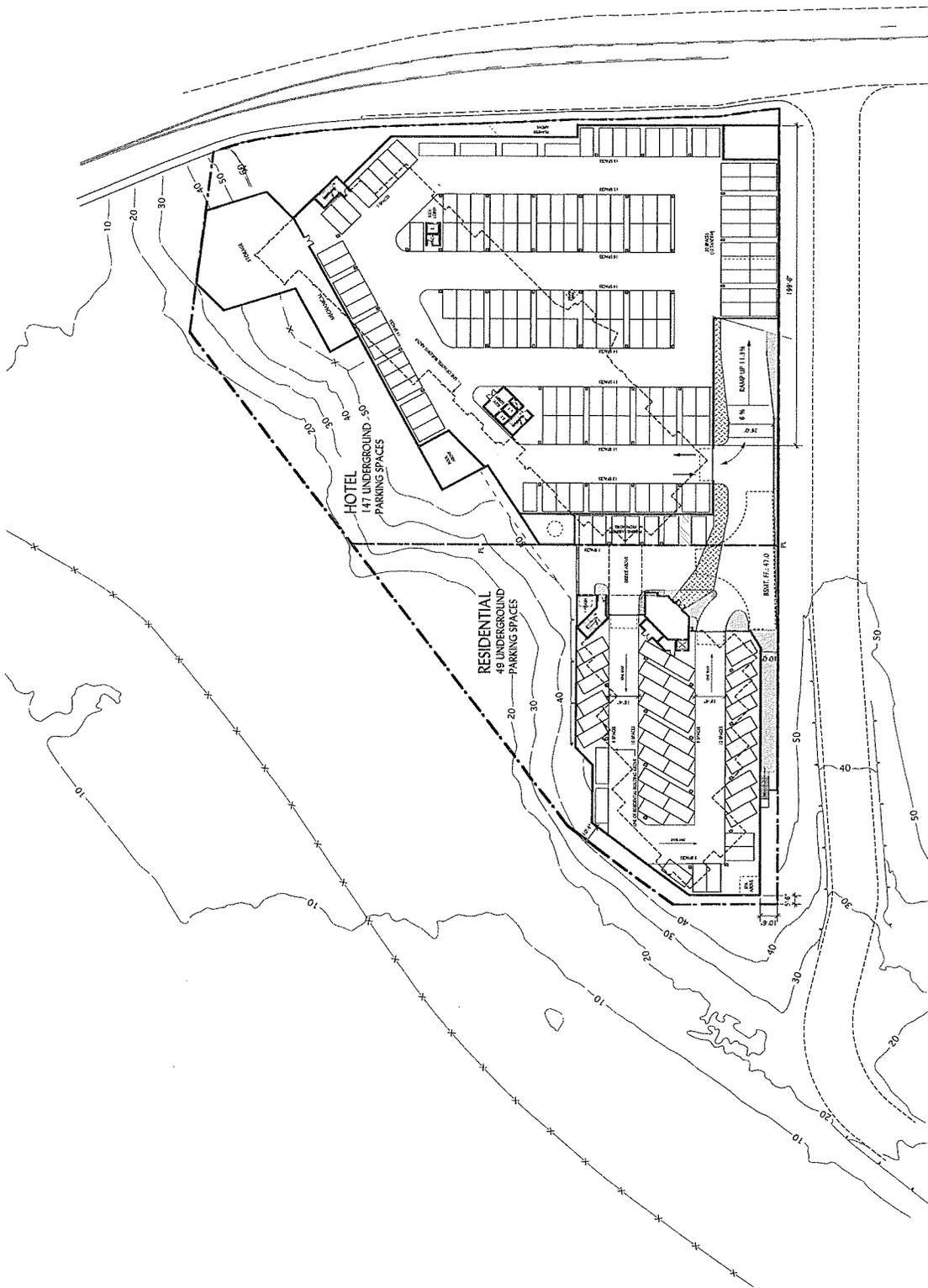


1 FIRST FLOOR PLAN  
 Scale: 1/16" = 1'-0"  
 AI.I.C



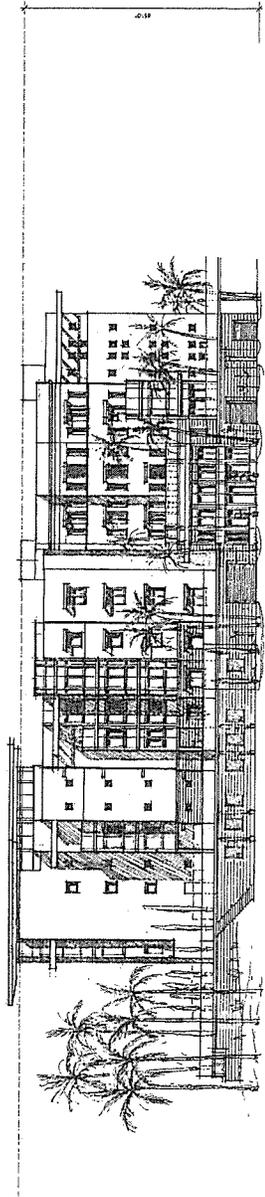
2 SECOND FLOOR PLAN  
 Scale: 1/16" = 1'-0"  
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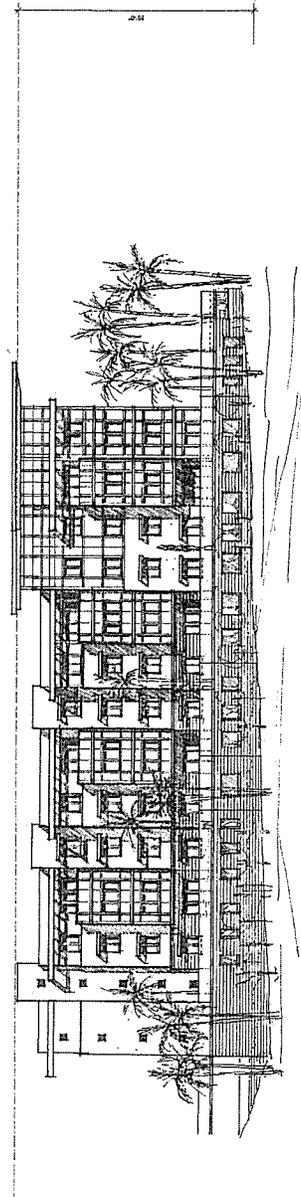


GARAGE FLOOR PLAN





**1 SOUTH ELEVATION**  
 Scale: 1/16" = 1'-0"



**2 NORTH ELEVATION**  
 Scale: 1/16" = 1'-0"

- TYPICAL FINISH MATERIALS**
- EXTERIOR PLASTER
  - METAL COLLARS
  - SLIPING GLASS DOORS
  - ALUMINUM DOORS
  - METAL GLAD DOORS
  - GLASS GUARDRAIL
  - GLASS CURTAIN WALL
  - GLASS PARTITION WITH
  - CLOTH PARTINGS
  - METAL FINBRACES
  - GLASS & METAL ENTRY AWNING







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RESOLUTION NO. 10-

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

WHEREAS, a Final Environmental Impact Report (FEIR) was prepared and circulated for public and agency review and proper notification was given in accordance with the California Environmental Quality Act; and

WHEREAS, on August 10, 2010, the Community Development Commission held its duly noticed public hearing, considered the content of the FEIR and Mitigation, Monitoring and Reporting Program (MMRP);

WHEREAS, studies and investigations made by this Commission and in its behalf reveal the following facts:

**For the Final Environmental Impact Report:**

1. The FEIR and MMRP were completed in compliance with the provisions of the California Environmental Quality Act (CEQA).
2. There are certain significant environmental impacts detailed in the Hyatt Place Project final EIR as identified in the Findings Regarding the Environmental Impact Report for the Proposed Hyatt Place Development Project (Exhibit "A"). Such environmentally significant impacts have been mitigated by changes or alterations incorporated into the project which avoid or substantially lessen the significant environmental effects. These measures are detailed in Exhibit A attached hereto.
3. Pursuant to CEQA guidelines section 15091, in order to ensure the identified impacts are mitigated to a level less than significant, a Mitigation Monitoring and Reporting Program has been prepared, will be adopted and is attached as Exhibit "B".
4. There are certain significant and unavoidable environmental impacts associated with the project in the areas of climate change, greenhouse gas emission (GSG) for which mitigation is infeasible. However, such impacts are offset by the significant economic and social benefits of the project, including enhanced redevelopment opportunities, increased visitor accommodations, commercial opportunities, and the

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creation of jobs. Such benefits outweigh the unavoidable adverse environmental effects and are detailed in the Statement of Overriding Considerations, which is attached hereto as Exhibit "A".

5. The documents which constitute the record of the proceedings upon which this decision is based are located in the City of Oceanside Economic and Community Development Department (or Planning Department) located at 300 North Coast Highway, Oceanside, California.

6. The final EIR, MMRP and the Statement of Overriding Considerations were presented to the Community Development Commission, and the Commission reviewed and considered the information contained in these documents prior to making a decision on the project.

7. The final EIR, MMRP and Statement of Overriding Considerations have been determined to be accurate and adequate documents which reflect the independent judgment and analysis of the Community Development Commission.

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

1. The FEIR for the Hyatt Place project IS CERTIFIED, effective as of this day.

2. Pursuant to Public Resources Code Section 21081.6 the City Community Development Commission adopts the MMRP attached as Exhibit "B" and finds and determines that said program is designed to ensure compliance with the mitigation measures during project implementation.

3. Pursuant to Public Resources Code Section 21081, the Community Development Commission hereby adopts the Environmental Findings attached as Exhibit "A" and Statement of Overriding Considerations for the Hyatt Place Project FEIR attached as Exhibit "A".

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1           4.       NOTICE is hereby given that the time within which judicial review must be sought  
2 on this decision is governed by Public Resources Code 21168 and 14 C.C.R. 15112.

3           PASSED AND ADOPTED by the Oceanside Community Development Commission of  
4 the City of Oceanside this \_\_\_ day of \_\_\_\_\_ 2010 by the following vote:

5 AYES:

6 NAYS:

7 ABSENT:

8 ABSTAIN:

9 \_\_\_\_\_  
Chairman

10 ATTEST:

11 \_\_\_\_\_  
12 Secretary

13 APPROVED AS TO FORM:  
14 OFFICE OF THE CITY ATTORNEY  
15 by John P. Muller  
16 General Counsel

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**FINDINGS OF FACT FOR THE HYATT PLACE OCEANSIDE AND  
NORTH COAST CONDOMINIUM PROPOSED ACTION  
FINAL SUPPLEMENTAL ENVIRONMENTAL ENVIRONMENTAL IMPACT  
REPORT  
(SCH NO. 2008021102)**

**1. INTRODUCTION**

**1.1 Findings of Fact**

California Environmental Quality Act, Public Resources Code Sections 21000-21178 ("CEQA"), State CEQA Guidelines for Implementation of the California Environmental Quality Act, Cal. Code Regs. Tit. 14 §§ 15000-15387 ("CEQA Guidelines") are "intended to assist public agencies in systematically identifying both the significant effects of proposed Proposed Actions and the feasible alternatives or feasible mitigation measures which will *avoid* or *substantially lessen* such significant effects." Cal. Pub. Res. Code § 21002 (emphasis added). CEQA's mandate and principles are implemented, in part, through the requirement that agencies adopt findings before approving Proposed Actions for which EIRs are required. (See Pub. Res. Code § 21081 (a)). For each significant environmental effect identified in any EIR for a proposed Proposed Action, the approving agency must issue a written finding reaching one or more of three permissible conclusions.

The first permissible finding is that "[c]hanges or alterations have been required in, or incorporated into, the Proposed Actions which avoid or substantially lessen the significant environmental effect as identified in the Final SEIR." (CEQA Guidelines § 15091 (a)(1).) The second permissible finding is that "[s]uch changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency." (CEQA Guidelines § 15091 (a)(2).) The third potential conclusion is that "[s]pecific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or Proposed Action alternatives identified in the Final SEIR." (CEQA Guidelines § 15091 (a)(3).) Section 21061.1 of CEQA defines "feasible" to mean "capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social and technological factors." Section 15364 of the CEQA Guidelines adds another factor: "legal" considerations. See also Citizens of Goleta Valley v. Board of Supervisors ("Goleta II"), 52 Cal.3d 553, 565, 276 Cal.Rptr. 410 (1990).

The concept of "feasibility" also encompasses the question of whether a particular alternative or mitigation measure promotes the underlying goals and objectives of a Proposed Action. (City of Del Mar v. City of San Diego, 133 Cal.App.3d 410, 417, 183 Cal.Rptr. 898 (1982).) "[F]easibility under CEQA encompasses 'desirability' to the extent that desirability is based on a reasonable balancing of the relevant economic, social and technological factors." (Id.; see also Sequoyah Hills Homeowners Ass'n v. City of Oakland, 23 Cal.App.4<sup>th</sup> 704, 715, 29 Cal.Rptr.2d 182 (1993).)

The CEQA Guidelines do not define the difference between "avoiding" a significant environmental effect and merely "substantially lessening" such an effect. The City must therefore glean the meaning of these terms from the other contexts in which the terms are used. Section 21081 of CEQA, on which CEQA Guidelines Section 15091 is based, uses the term "mitigate" rather than "substantially lessen." The CEQA Guidelines therefore equate "mitigating" with "substantially lessening." Such an understanding of the statutory term is consistent with the policies underlying CEQA, which include the policy that "public agencies should not approve Proposed Actions as proposed if there are feasible alternatives or feasible mitigation measures available which will substantially lessen the significant environmental effects of such Proposed Actions." (pub. Res. Code § 21002.)

For purposes of these findings, the term "avoid" refers to the effectiveness of one or more mitigation measures to reduce an otherwise significant effect to a less than significant level. In contrast, the term "substantially lessen" refers to the effectiveness of such measures to substantially reduce the severity of a significant effect, but not to reduce the effect to a less than significant level. These interpretations are consistent with the holding in Laurel Hills Homeowners Ass'n v. Planning Commission, 83 Cal.App.3d 515, 519-527, 147 Cal.Rptr. 842 (1978), in which the Court of Appeals held that an agency had satisfied its obligation to substantially lessen or avoid significant effects by adopting numerous mitigation measures, not all of which rendered the significant impacts in question (e.g., the loss of biological resources) less than significant. Although CEQA Guidelines Section 15091 requires only that approving agencies specify that a particular significant effect is "avoid[ed] or substantially lessen[ed]," these Findings, for purpose of clarity, in each case will specify whether the effect in question has been reduced to a less than significant level, or has been substantially lessened but remains significant.

With respect to a Proposed Action for which significant impacts are not avoided or substantially lessened either through the adoption of feasible mitigation measures or feasible environmental superior alternatives, a public agency, after adopting proper findings, may nevertheless approve the Proposed Action if the agency first adopts a statement of overriding considerations setting forth the specific reasons why the agency found that the Proposed Action's "benefits" rendered "acceptable" its "unavoidable adverse environmental effects." (14 Cal. Code Regs. §§ 10593, 15043(b); see also Pub. Res. Code § 21081(b).) The California Supreme Court has stated that, "[t]he wisdom of approving...any development Proposed Action, a delicate task which requires a balancing of interests, is necessarily left to the sound discretion of the local officials and their constituents who are responsible for such decisions. The law as we interpret and apply it simply requires that those decisions be informed, and therefore balanced." (Goleta II, 52 Cal, 3d 553, 576.)

The following Findings of Fact ("Findings") are made relative to the conclusions of the Final Supplemental Environmental Impact Report for the Hyatt Place Oceanside and North coast Condominium Proposed Action (SCH 2008021102). ("SEIR").

## **1.2 Document Format**

These findings have been organized into the following sections:

- (1) Section 1 provides an introduction to these Findings.
- (2) Section 2 provides a summary of the Proposed Action and overview of the discretionary actions required for approval of the Development, and a statement of the Proposed Action's objectives and a discussion of previous CEQA approvals.
- (3) Section 3 provides a summary of public participation in the environmental review, an overview of the administrative record that has been developed for the Proposed Action, as well as findings regarding the Mitigation, Monitoring and Reporting Program (MMRP) and general findings regarding the Development and CEQA compliance.
- (4) Section 4 sets forth findings regarding those environmental impacts which were determined during the notice of preparation period either not to be relevant to the Proposed Action or which were determined to clearly not manifest at levels which were deemed to be significant for consideration at the Proposed Action-specific level.
- (5) Section 5 sets forth findings regarding significant or potentially significant environmental impacts identified in the Final SEIR which the City has determined are either not significant or can be substantially lessened or reduced to a less-than-significant level through the imposition of mitigation measures included in the MMRP for the Proposed Action.
- (6) Section 6 outlines the mitigation measures to be implemented by another public agency.
- (7) Section 7 sets forth findings regarding alternatives to the Proposed Action which were determined not to be implemented by the City.
- (8) Section 8 sets forth a Statement of Overriding Considerations specific to the Proposed Action.

## **2. PROPOSED ACTION SUMMARY**

### **2.1 Development Description**

The proposed development area is an approximately 2.8-acre parcel in the City of Oceanside, located on the west side of North Coast Highway 101, just west of Interstate 5, and is bounded to the north and northwest by the San Luis Rey River. The site is currently developed with the Guesthouse Inn Motel and Flying Bridge Restaurant. Undeveloped land lies to the north of the site, while North Coast Highway and Interstate 5 run to the east. Commercial development is present to the south and a condominium development is currently under construction to the west of the property.

The tentative map proposes to subdivide the 2.8 gross acres (which includes 0.3 acre for an encroachment removal agreement) into two parcels. The breakdown of these parcels is as follows: the west parcel will consist of approximately 36,000 square feet and is for residential use, while the 88,000 square foot eastern lot will house a hotel and restaurant. While division of the property is for separate Tentative Map ownership purposes, the physical redevelopment of the property has been designed to allow mutual accessibility between the two parcels. Access to the property will be from North Coast Highway, via two separate driveways.

Of the 2.8 gross acres, 2.3 acres will be graded (80.3%). Remedial grading will consist of 17,700 cubic yards (cy) of over excavation. The development would also export 28,000 cy of soil which includes soils removed to accommodate underground parking.

The development would construct a private onsite sewer system which would connect to the existing 8-inch sewer line in North Coast Highway at two locations.

## **2.2 Discretionary Actions**

The project application includes a Tentative Map (Figure S-3), Coastal Development Permit, a Development Plan, and two Conditional Use Permits (CUPs): one for exceeding the designated height limit of the subject property, and the second to allow for a 20% shared parking reduction for the hotel and restaurant structure.

*Coastal Development Permit.* The subject property is not located within California Coastal Commission (CCC) jurisdiction, but is within the City of Oceanside's Local Coastal Program (LCP), which has been approved by the CCC. The Coastal Development Permit (CDP) would be processed and issued by the City.

*Development Plan.* The proposed mixed use development plan proposes the construction of a residential building on the western parcel (Lot 1), and a hotel and restaurant on the eastern lot (Lot 2). The proposed project will provide a total of 220 parking spaces: 171 spaces for the commercial component (hotel/restaurant building), and 49 spaces for the residential component (condominium building). As mentioned above, physical redevelopment will occur entirely within the extent of the existing developed footprint.

Lot 1 will consist of a four-story 24-unit residential condominium building situated above a (mostly) below-grade parking garage. The garage will provide 49 parking spaces and is for condominium use only. Access to the condominium building will be from North Coast Highway via a separate driveway across the eastern lot.

Lot 2 will be redeveloped with a four-story building which will house both a hotel and restaurant. The 95,466 square-foot building will sit atop an underground parking garage. The restaurant will be constructed at the east end of the building, consisting of a dining area, kitchen and bar, and will have a separate entry point from the hotel. The hotel consists of 127 guest rooms, a fitness room, two meeting rooms, and a laundry room. The hotel rooms are of two

sizes: 410 square feet and 450 square feet. The garage beneath the hotel and restaurant building will provide 148 parking spaces. An additional 23 surface spaces will serve the eastern parcel as well, 8 of which will be reserved as handicapped spaces. A tower designed as a lighthouse will serve as a distinguishing feature on the building's eastern end, which will be highly visible from Interstate 5.

A secured pedestrian bridge will serve as a connective link between the east and west parcels, affording condominium resident's access to the hotel's outdoor recreational facilities. The development would also construct a public observation deck on the property's north-facing slope which overlooks the San Luis Rey River and the Pacific Ocean. The deck will be connected to the sidewalk along North Coast Highway, allowing public access to the view.

### *Conditional Use Permits*

Building height. The development is located within Subdistrict 7B of the City of Oceanside's Downtown District, which has a designated height limit of 45 feet. The proposed hotel and restaurant structure has been designed at 61 feet in height (from existing grade), and the proposed condominium structure has been designed at 59 feet in height (from existing grade). A Conditional Use Permit (CUP) is therefore required to accommodate the proposed structures' height exceedance.

Parking. As separate entities, a 127-room hotel (as is being proposed) would require 152 parking spaces, while a 2988 square-foot restaurant (as is proposed) would require 60 parking spaces. Considered as separate uses, the site would then require 213 parking spaces (153+60). Because parking would be *shared* between hotel and restaurant uses under the proposed development, a CUP is requested to attain a 20% shared parking reduction, thereby reducing the amount of required parking to 170 spaces.

## **2.3 Statement of Development Objectives**

The objectives of the proposed Hyatt Place Oceanside and North Coast Condominiums are as follows:

1. Redevelopment of the site by a private owner/developer for visitor serving uses, and provision of residential units consistent with the intended uses of the redevelopment district (Action Item No. 3 of the Redevelopment Plan).
2. Improvement of the condition and performance of the property by providing attractive, desirable visitor accommodations and restaurant facilities, and improve the aesthetics and urban fabric of the area.
3. Demolition of older buildings without primary historical significance (Action Item No. 7 of the Redevelopment Plan).

4. Implementation of the General Plan's economic goals by providing a source of additional revenues through increase property and sales taxes.

## **2.4 Background and Previous CEQA Approvals**

A Redevelopment Plan for the revitalization of 375 acres located in the northwest portion of the city was adopted by the City of Oceanside in 1975. At the same time, an environmental impact report (EIR) addressing the redevelopment plan was prepared, reviewed, and approved by the City (Oceanside Redevelopment Agency, 1975). A Subsequent Final Master EIR (MEIR) for the entire 375-acre redevelopment area addressed the environmental issues for each of the 13 subdistricts created in 1978 within the Project Area. The MEIR included study of Subdistrict 7B, within which the proposed Hyatt Place Oceanside and North Coast Condominiums Development is located. Subdistrict 7B is designated for a mix of recreational and commercial uses, as well as for residential development within mixed use developments. A Final SEIR was approved for changes in land use designations for 10 of the 13 subdistricts in 1982, and the Redevelopment Plan was further amended to identify 15 subdistricts in 1992.

The MEIR for the Redevelopment project supplemented the initial 1975 EIR by providing additional demographic information and further identifying potential impacts and mitigation, and to provide a database for reference and use in preparation of future SEIRs and Negative Declarations for individual developments occurring within the Redevelopment Plan Area, such as the proposed Hyatt Place Oceanside and North Coast Condominiums Development.

Development of the site has been analyzed by the 1981 SEIR. The following documents are hereby incorporated by reference:

*Final Master Environmental Impact Report of Oceanside Redevelopment Project (SCH#1979052209), certified by the Oceanside Redevelopment Agency and the Planning Commission on October 25, 1979, by Resolution No. 79R-38.*

*Final Supplemental Environmental Impact Report for Proposed Amendments to the City of Oceanside Downtown Redevelopment Project, certified by the Oceanside Redevelopment Agency and the Planning Commission on June 22, 1982, by Resolution No. 82-148.*

This SEIR contains only the supplemental information necessary to update the MEIR and the 1981 SEIR to assure CEQA compliance for the proposed development of the Hyatt Place Oceanside and North Coast Condominiums.

The SEIR will be used, in conjunction with the 1979 MEIR and 1981 SEIR, by the decision makers to determine whether to approve the Tentative Map, Development Plan, Coastal Development Permit, and Conditional Use Permits. This report has been prepared in accordance with the requirements of the California Environmental Quality Act (California Public Resources Code, Section 21000 et seq ("CEQA") and California Administrative Code).

A strong policy expressed throughout CEQA and its implementing California Administrative Code Regulations (hereafter “Guidelines”) encourages tiering, or streamlining subsequent CEQA review for individual projects that are consistent with General Plans, Specific Plans, and Redevelopment Plans that have gone through earlier CEQA review in their entirety. As examples applicable here:

- CEQA Section 21083.3 limits the subsequent review of projects consistent with the prior plan and zoning to “effects upon the environment which are peculiar to the parcel or the project and which were not addressed as significant effects in the prior environmental impact report, or which substantial new information shows will be more significant than described in the prior environmental impact report.
- CEQA Section 21093 encourages the “tiering” of environmental analysis whenever feasible because “...tiering of environmental impact reports will promote construction of needed housing and other development projects by (1)streamlining regulatory procedures, (2) avoiding repetitive discussions of the same issues in successive environmental impact reports, and (3) ensuring that environmental impact reports for later projects which are consistent with a previously approved policy, plan, program, or ordinance concentrate upon the environmental effects which may be mitigated or avoided in connection with the decision on each later project.” CEQA Section 21095 provides guidance applicable here for limiting the scope of the later project’s environmental review.
- CEQA Sections 21157-21158.5 encourage the use of “Master” EIRs for general plans, specific plans, redevelopment plans, and similar long-term programs that will be implemented by subsequent individual projects. Those sections instruct that the environmental review for the later implementing projects may be “focused” reports concentrating on the potentially significant impacts specific to the project, or which substantial new information shows will be more significant than described in the prior environmental impact report.”

This focused SEIR has been prepared by professional environmental consultants according to the requirements of the City of Oceanside and with Section 21000 et seq. of the California Environmental Quality Act of 1970, as amended (CEQA) and the State CEQA Guidelines (California Code of Regulations, Section 15000 et seq.). It is an informational document intended for use by the City of Oceanside’s decision-makers, all responsible agencies, and the public. It provides relevant information concerning the proposed redevelopment activity for Subdistrict 7B of the Downtown Redevelopment Plan. Discretionary evaluation of the proposed development is the responsibility of the City of Oceanside. The City of Oceanside is the lead agency for the preparation of this focused SEIR, and the content of the SEIR reflects the independent judgment of the City in accordance with all relevant local, state, and federal laws.

### **3. PUBLIC PARTICIPATION AND RECORD OF PROCEEDINGS**

#### **3.1 Public Input**

A Notice of Preparation (NOP) addressing the Development (circulated to Responsible Agencies and individuals for a 30-day review period from February 19 to March 19) and an Initial Study (IS) determined that the Proposed Action may have a significant effect on the Environment. Additionally, a Public Scoping Meeting for the Development was held on March 13, 2008, in the Oceanside Civic Center Community Rooms.

#### **3.2 Record of Proceedings**

For purposes of CEQA and these Findings, the Record of Proceedings for the Proposed Actions consists of the following documents and other evidence at a minimum:

- The Notice of Preparation and all other public notices issued by the City in conjunction with the Proposed Action;
- The Final SEIR;
- The Draft EIR;
- All written comments and verbal public testimony presented during the public comment period on the Draft EIR or during a noticed public hearing for the Proposed Action at which such testimony was taken;
- The MMRP;
- All findings, ordinances, and resolutions adopted by the Planning Commission in connection with the Proposed Action, and all documents incorporated by reference therein;
- All final reports, studies, memoranda, maps, staff reports, or other planning documents relating to the Proposed Action prepared by the City, consultants to the City, or responsible or trustee agencies with respect to the City's compliance with the requirements of CEQA and with respect to the City's actions on the Proposed Action;
- All documents submitted to the City by other public agencies or members of the public in connection with the Proposed Action, up through the close of the public hearing;
- Minutes and/or verbatim transcripts of all information sessions, public meetings, and public hearings held by the City in connection with the Proposed Action;

- Any documentary or other evidence submitted to the City at such information sessions, public meetings, and public hearings;
- Matters of common knowledge to the City, including, but not limited to federal, state, and local laws and regulations;
- The City's General Plan and Municipal Code;
- Any documents expressly cited in these findings in addition to those cited above; and
- Any other materials required to be in the record of proceedings by Section 21167.6 (e) of CEQA.

The custodian of the documents comprising the record of proceedings is City Clerk, whose office is located at 300 North Coast Highway, Oceanside, CA 92054. Copies of all these documents, which constitute the record of proceedings upon which the City's decision is based, are and at all relevant times have been available upon request at all times at the offices of the City, the custodian for such documents or other materials.

The Planning Commission has relied on all of the documents listed above in reaching its decision on the Proposed Action, even if not every document was formally presented to the Planning Commission or City Staff as part of the City files generated in connection with the Proposed Action. Without exception, any documents set forth above not found in the Proposed Action files fall into two categories. First, many of them reflect prior planning or legislative decisions of which the Planning Commission was aware in approving the Proposed Action. (See City of Santa Cruz v. Local Agency Formation Commission 76 Cal.App.3d 381, 391-392, 42 Cal.Rptr. 873 (1978); Dominey v. Department of Personnel Administration, 205 Cal.App.3d 729, 738, n.6, 252 Cal.Rptr. 620 (1988).) Second, other of the documents influenced the expert advice provided to City Staff or consultants, who then provided advice to the City. For that reason, such documents form part of the underlying factual basis for the City's decisions relating to the adoption of the Proposed Action. (See Pub. Res.Code § 21167.6 (e)(10); Browning-Ferris Industries v. Planning Commission of San Jose, 181 Cal.App.3d 852, 226, Cal.Rptr 575 (1986; Stanislaus Audubon Society, Inc. v. County of Stanislaus, 33 Cal.App.4<sup>th</sup> 144, 153, 155, 39 Cal.Rptr.2d 54 (1985).).

The Final SEIR was completed in compliance with CEQA, and reflects the City's independent judgment. The Planning Commission believes that its decision on the Proposed Action is one which must be made after a hearing required by law at which evidence is required and discretion in the determination of facts is vested in the City. As a result, any judicial review of the City's decision will be governed by Section 21168 of CEQA and Code of Civil Procedure Section 1094.5. Regardless of the standard of review that is applicable, the Planning Commission has considered evidence and arguments presented to the City prior to or at the

hearings on this matter. In determining whether the Proposed Action has a significant impact on the environment, and in adopting Findings pursuant to Section 21080 of CEQA, the Planning Commission has complied with CEQA Sections 21081.5 and 21082.2.

### **3.3 Mitigation, Monitoring, and Reporting Program**

CEQA requires the lead agency approving a Proposed Action to adopt a MMRP for the changes to the Proposed Action that it had adopted or made a condition of Proposed Action approval in order to ensure compliance with Proposed Action implementation. A MMRP has been defined and serves that function for the Final SEIR. The MMRP designates responsibility and anticipated timing for the implementation of mitigation. The City will serve as the overall MMRP Coordinator. An MMRP has been prepared for the Proposed Action and has been adopted concurrently with these Findings. (See Pub. Res. Code §21081.6 (a)(1).) The City will use the MMRP to track compliance with Proposed Action mitigation measures.

### **3.4 General Findings**

The City Hereby finds as follows:

3.4.1 The foregoing statements are true and correct;

3.4.2 The City is the "Lead Agency" for the Proposed Action evaluated in the Final SEIR and independently reviewed and analyzed the Draft EIR and Final SEIR for the Proposed Action;

3.4.3 The Notice of Preparation of the Draft EIR was circulated for public review between September 30, 2005 and October 30, 2005. It requested that responsible agencies respond as to the scope and content of the environmental information germane to that agency's specific responsibilities;

3.4.4 The public review period for the Draft EIR was for 45 days between April 17, 2009 and June 5, 2009.

3.4.5 The Draft EIR was completed in compliance with CEQA;

3.4.6 The Final SEIR reflects the City's independent judgment;

3.4.7 The City evaluated comments on environmental issues received from persons who reviewed the Draft EIR. In accordance with CEQA, the City prepared written responses describing the disposition of significant environmental issues raised. The Final SEIR provides adequate, good faith, and reasoned responses to the comments. The City reviewed the comments received and responses thereto and has determined that neither the comments received nor the responses to such comments add significant new information to the Draft EIR regarding including all comments received up to the date of adoption of these Findings, concerning the environmental impacts identified and analyzed in the Final SEIR.

3.4.8 The City finds that the Final SEIR provides objective information to assist the decision-makers and the public at large in their consideration of the environmental consequences of the Proposed Action. The public review period provided all interested jurisdictions, agencies, private organizations, and individuals the opportunity to submit comments regarding the Draft EIR. The Final SEIR was prepared after the review period and responds to comments made during the public review period;

3.4.9 The Final SEIR evaluated the following direct and cumulative impacts: aesthetics, biological resources, cultural and paleontological resources, geology and soils, hydrology and water quality, land use, noise, transportation/traffic circulation and the cumulative contribution to greenhouse gases. Additionally, the Final SEIR considered Growth Inducing Impacts of the Proposed Action, as well as a reasonable range of Proposed Action alternatives. All of the significant environmental impacts of the Proposed Action were identified in the Final SEIR.

3.4.10 CEQA requires the lead agency approving a Proposed Action to adopt a MMRP for the changes to the Proposed Action which it has adopted or made a condition of Proposed Action approval in order to ensure compliance with Proposed Action implementation. The MMRP included in the Final SEIR as certified by the City serves that function. The MMRP includes all of the mitigation measures identified in the Final SEIR and has been designed to ensure compliance during implementation of the Proposed Action. In accordance with CEQA, the MMRP provides the measures to ensure that the mitigation measures are fully enforceable;

3.4.11 The MMRP designates responsibility and anticipated timing for the implementation of mitigation; the City will serve as the MMRP Coordinator;

3.4.12 In determining whether the Proposed Action may have a significant impact on the environment, and in adopting Findings pursuant to Section 21081 of CEQA, the City has complied with CEQA Sections 21080.5 and 21082.2;

3.4.13 The impacts of the Proposed Action have been analyzed to the extent feasible at the time of certification of the Final SEIR;

3.4.14 The City made no decisions related to approval of the Proposed Action prior to the initial certification of the Final SEIR by the Planning Commission. The City also did not commit to a definite course of action with respect to the Proposed Action prior to the initial certification of the Final SEIR by the Planning Commission;

3.4.15 Copies of all the documents incorporated by reference in the Final SEIR are and have been available upon request at all times at the offices of the City Clerk and/or Planning Department, the custodians of record for such documents or other materials.

3.4.16 Textual refinements and errata were compiled and presented to the decision-makers for review and consideration. The City staff has made every effort to notify the decision-makers and the interested public/agencies of each textual change in the various documents

associated with the review of the Proposed Action. These textual refinements arose for a variety of reasons. First, it is inevitable that draft documents will contain errors and will require clarifications and corrections. Second, textual clarifications were necessitated in order to describe refinements suggested as part of the public participation process;

3.4.17 Additionally, the responses to the comments on the Draft EIR, which are contained in the Final SEIR, clarify and amplify the analysis in the Draft EIR;

3.4.18 Having reviewed the information contained in the Draft EIR, Final SEIR, the administrative record, as well as the requirements of CEQA and the State CEQA Guidelines regarding re-circulation of Draft EIRs, and having analyzed the changes in the Draft EIR which have occurred since the close of the public review period. The City finds that there is no new significant information regarding adverse environmental impacts of the Proposed Action in the Final SEIR and finds that re-circulation of the Draft EIR is not required; and

3.4.19 Having received, reviewed, and considered all information and documents in the Final SEIR, as well as all other information in the record of proceedings on this matter, the following Findings are hereby adopted by the City as the CEQA Lead Agency. These Findings set forth the environmental basis for current and subsequent discretionary actions to be undertaken by the City and responsible agencies for the implementation of the Proposed Action.

#### **4. ENVIRONMENTAL ISSUES DETERMINED NOT TO BE POTENTIALLY AFFECTED BY THE PROPOSED ACTION**

Based on the responses to the Proposed Action's Notice of Preparation, the following environmental issues were determined by the City to be either inapplicable to the Proposed Action based upon the nature of the Proposed Action and/or the absence of any potential impact related to the issue or because the issue was potentially impacted to a degree deemed to be less than significant and, therefore, not warranting further consideration in the Final SEIR other than as set forth in Section 9 of the Final SEIR. No substantial evidence has been presented to or identified by the City which would modify or otherwise alter the City's less-than-significant determination for each of the following environmental issues: agricultural resources, hazards and hazardous materials, mineral resources, population and housing, public services, recreation and utility systems.

#### **5. FINDINGS REGARDING POTENTIALLY SIGNIFICANT ENVIRONMENTAL EFFECTS WHICH ARE DETERMINED NOT TO BE SIGNIFICANT OR WHICH CAN BE SUBSTANTIALLY LESSENED OR AVOIDED THROUGH FEASIBLE MITIGATION MEASURES**

The City has determined based on the threshold criteria for significance presented in the Final SEIR that the following environmental effects of the Proposed Action will not manifest at levels which have been determined by the City to be significant or, if significant, feasible mitigation measures identified in the Final SEIR and adopted by the City as conditions of Proposed Action approval will result in the avoidance or substantial reduction of those effects.

Environmental effects related to the Proposed Action in the following areas were found to be either insignificant or capable of being mitigated to a level of insignificance: aesthetics, biological resources, cultural resources and paleontological resources, geology/soils, hydrology and water quality, land use, noise, and transportation/traffic.. In the absence of thresholds currently available to address the significance of the Proposed Action’s cumulative contribution to greenhouse gases, this impact has been considered cumulatively significant and unmitigable.

## 5.1 Aesthetics

**Environmental Impacts:** No significant impacts to aesthetics have been identified.

**Finding:** Pursuant to CEQA Section 21081(a)(1) and State CEQA Guidelines section 15091(a)(1), the City finds that conditions, changes, or alterations have been required in, or incorporated into, the Proposed Action which will reduce the significant environmental effect identified in the Final SEIR to below a level of significance.

**Facts in Support of Finding:** Impacts would be considered significant if the proposed Proposed Action would have a substantial adverse effect on a scenic vista, substantially damage scenic resources, or substantially degrade the existing visual character or quality of the site and its surroundings.

Development implementation would include the demolition of the older, less visually pleasing structures and replacing them with newer and more attractive buildings, consistent with the goals of the Oceanside Redevelopment Plan, Oceanside D Downtown District Ordinance, and the Oceanside Local Coastal Program (LCP).

**Mitigation Measures:** No mitigation measures are required.

## 5.2 Biological Resources

**Environmental Impacts:** Direct impacts would result in the loss of 2.32 acres of land that are either already developed, eucalyptus woodland, ornamental vegetation, or poison oak chaparral. No significant impacts to sensitive vegetation or special status species would occur.

Potential indirect impacts associated with “edge effects” could occur.

**Finding:** Pursuant to CEQA Section 21081(a)(1) and State CEQA Guidelines section 15091(a)(1), the City finds that conditions, changes, or alterations have been required in, or incorporated into, the Proposed Action which will reduce the significant environmental effect identified in the Final SEIR to below a level of significance.

**Facts in Support of Finding:** Impacts would be significant if the development results in adverse impacts to any state- or federal-listed or special status species; has a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Game or U.S. Fish and

Wildlife Service; has a substantial adverse effect on federally-protected wetlands; interfere substantially with the movement of any native resident or migratory fish or wildlife species; conflicts with any local protection policies or ordinances; or conflicts with the provisions of an adopted Habitat Conservation Plan.

**Mitigation:** Mitigation for potential indirect impacts would be mitigated by (a) avoiding the use of invasive non-native species in the landscaping plan, (b) placing seasonal restrictions on grading and grubbing to avoid breeding activities for potentially occurring sensitive bird species, (c) implementing standard construction Best Management Practices (BMPs) related to dust control, erosion, and water quality protection, and (c) clear delineation of the construction area using orange construction fencing, silt fencing, and/or fiber rolls. A biological monitor would be on-site during site grubbing and grading.

### 5.3 Cultural and Paleontological Resources

**Environmental Impacts:** No cultural resources were observed on-site during an archaeological survey of the property, but redevelopment of the site may unearth resources of cultural significance during demolition and grading

The existing buildings on-site do not qualify under any criterion for nomination to any historical register.

Grading and excavation could potentially unearth paleontological resources from within the Pleistocene sediments of the marine terrace platform.

**Finding:** Pursuant to CEQA Section 21081(a)(1) and State CEQA Guidelines section 15091(a)(1), the City finds that conditions, changes, or alterations have been required in, or incorporated into, the Proposed Action which will reduce the significant environmental effect identified in the Final SEIR to below a level of significance.

#### **Facts in Support of Finding:**

Cultural and Historical Resources. Any object, building, structure, site, area, place, record, or manuscript which a lead agency determines to be historically significant or significant in the architectural, engineering, scientific, economic, agricultural, educational, social, political, military, or cultural annals of California may be considered to be an historical resource, provided the lead agency's determination is supported by substantial evidence in light of the whole record. Generally, a resource shall be considered by the lead agency to be "historically significant" if the resource meets the criteria for listing on the California Register of Historical Resources (Pub. Res. Code §5024.1, Title 14 CCR Section 4852) including the following:

- (A) Is associated with events that have made a significant contribution to the broad patterns of California's history and cultural heritage;
- (B) Is associated with the lives of persons important in our past;

- (C) Embodies the distinctive characteristics of a type, period, region, or method of construction, or represents the work of an important creative individual, or possesses high artistic values, or:
- (D) Has yielded or may be likely to yield information important in prehistory or history.

Paleontological Resources. Much of the fossil material potentially present is considered to be of high scientific value, and its loss would be considered a significant impact.

### **Mitigation.**

Cultural Resources. Due to the potential for unidentified cultural resources to be unearthed during redevelopment phases, an archaeological monitoring program shall be conducted during demolition and grading to ensure that site development would have no significant impacts to cultural resources within the development area. The program would consist of the following:

- The development of a pre-excavation agreement between the applicant, the appropriate Luiseño tribe(s), and the City of Oceanside.
- The presence of a qualified archaeologist and a Native American monitor at the pre-construction meeting.
- A Native American monitor and an archaeological monitor on-site during grading, trenching, and other ground-disturbing activities.
- The analysis of any cultural material found.
- The preparation of a report detailing the methods and results of the monitoring program.
- The curation or repatriation of the cultural material collected.

Implementation of this monitoring program would ensure that site development would have no significant impacts to cultural resources within the development area.

Paleontological Resources. The following measures are required to offset potential impacts to paleontological resources:

- Prior to issuance of grading permits, the applicant shall confirm to the City of Oceanside that a qualified paleontologist has been retained to carry out the mitigation program. The paleontologist shall attend pre-grade meetings to consult with grading and excavation contractors.
- A paleontological monitor shall be onsite during grading operations to evaluate the presence of fossils within previously undisturbed sediments to inspect cuts for contained

fossils. (A paleontological monitor is defined as an individual who has experience in the collection and salvage of fossil materials.) The paleontological monitor shall work under the direction of a qualified paleontologist. Paleontological monitoring need not be continued in the underground parking garage if, in the opinion of a qualified paleontologist, the excavation extends below the terrace sediments and into the San Onofre Breccia.

- When fossils are discovered, the paleontologist (or paleontological monitor) shall recover them. In most cases, this fossil salvage can be completed in a short period of time. Some fossil specimens (such as a complete whale skeleton) may require an extended salvage time. In these instances, the paleontologist (or paleontological monitor) shall be allowed to temporarily direct, divert, or halt grading. To allow recovery of small fossil remains such as isolated mammal teeth, it may be necessary in certain instances to set up a screen-washing operation on the site.
- Prepared fossils along with copies of all pertinent field notes, photos, and maps shall be deposited (with the applicant's permission) in a scientific institution with paleontological collection such as the San Diego Natural History Museum. A final summary report shall be completed and distributed to the City and other interested agencies which outlines the results of the mitigation program. This report shall include discussions of the methods used, stratigraphy exposed, fossils collected, and significance of recovered fossils.

### 5.3 Geology and Soils

**Environmental Impacts:** The primary geotechnical concerns related to site development include potentially unstable soils resulting from demolition, excavation, and potential perched water conditions. The site is also subject to ground shaking and potential liquefaction associated with seismic activity.

**Finding:** Pursuant to CEQA Section 21081(a)(1) and State CEQA Guidelines section 15091(a)(1), the City finds that conditions, changes, or alterations have been required in, or incorporated into, the Proposed Action which will reduce the significant environmental effect identified in the Final SEIR to below a level of significance.

**Facts in Support of Finding:** Impacts would be considered significant if the development would expose people or structures to adverse effects resulting from seismic activity; result in substantial soil erosion; is located on an unstable geologic unit or soil that is unstable, or be located on expansive soil as defined by the Uniform Building Code, that would create substantial risks to life or property.

**Mitigation:** To reduce potential geotechnical impacts, the geotechnical report recommends that the following measures be properly incorporated into the design and construction phases of site development:

To reduce the impacts to below a level of significance, the geotechnical report recommends the following. These are discussed in greater detail in the geotechnical report.

Development Design. The subject site is located in Seismic Zone 4 according to the UBC and the proposed structures shall be designed accordingly. Compliance with UBC regulations will reduce potential impacts to levels below significance.

Site Preparation. The upper 2 to 4 inches of onsite soils containing asphaltic concrete, vegetation, roots and other organic matter will be removed from the building and pavement areas, and at least 5 feet outside the building perimeter.

Soil Preparation and Grading. To minimize post-construction soil movement, unless resistant formational materials are encountered, at least 2 feet below the base of the footings and the slab system shall be excavated, moisture-conditioned to near optimum, and recompact to a minimum of 95 percent of maximum density based on ASTM D1557 Test Method. Therefore, if the footings are 18 inches deep, the total depth of recompaction within the proposed footing area should be 4½ feet.

The overexcavations are to extend a minimum of 5 feet beyond footing lines and structural elements. Fill material will be compacted to a minimum of 95 percent of maximum density based on ASTM D1557 Test Method.

For soil stabilization and identification of any unsuitable areas not found during the geotechnical field investigation, the exposed subgrade within proposed pavement areas shall be excavated/scarified to a depth of at least 12 inches, worked until uniform and free from large clods, moisture-conditioned as necessary, and recompact to a minimum of 95 percent of maximum density based on ASTM Test Method D1557. Limits of recompaction shall extend 5 feet beyond structural elements.

Fill located onsite is not surficially stable in its existing condition. Removal and proper recompact during remedial grading will reduce potential impacts to a level below significance.

In the event that excavations near existing structures need to be performed in a vertical position (due to space limitation), braced shorings or shields may be used to support this method.

Shoring or sloping back trench sidewalls shall be utilized if necessary to prevent caving of the sandy soils during trench wall excavation. As demolition of existing onsite structures and pavement may disturb the upper soils, soils within the building pad and exterior flatwork areas shall be removed and/or recompact.

To protect the soils from winter moisture which may render the soil unstable, an aggregate base will be placed over areas of earthwork.

Surface Drainage Control. To prevent perched water conditions that may result from the less permeable materials of the San Onofre Breccia, the ground surface will slope away from the

building pad and pavement areas toward appropriate drop inlets or other surface drainage devices. Adjacent exterior grades shall be sloped to a minimum of 2 percent for a minimum distance of 5 feet away from structures. Subgrade soils in pavement areas will be sloped a minimum of 1 percent and drainage gradients maintained to carry all surface water to collection facilities and off site. These grades are to be maintained for the life of the development. Roof drains will be installed with appropriate downspout extensions out-falling on splash blocks to direct water a minimum of 5 feet away from the structures or be connected to the development's storm drain system.

Excavation Stability. Open, unbraced excavations in undisturbed soils will be conducted at a 1:1 slope for excavations up to a depth of 5 feet, and at a 1.5:1 slope for excavations between 5 and 10 feet in depth. If space limitation necessitates that excavations near existing structures occur in a vertical position, braced shorings or shields may be used to support such a method. In compliance with local and state safety regulations, the proposed development will utilize a properly designed and installed shoring system if vertical excavation is necessary.

Buried Structures. Development implementation would include the demolition of existing buildings and associated paved parking areas. Buried structures encountered during construction would be properly removed, and excavations backfilled.

#### **5.4 Hydrology and Water Quality**

**Environmental Impacts:** The development would not be expected to significantly impact downstream waters. Sediment transport off the development site will be reduced with the StormTreat units, and installation of the energy dissipating riprap. There are no changes in the vicinity's priority hydrologic properties that would be considered a condition of concern for downstream water bodies. There are no projected significant increases in runoff volume, outfall velocity, and time of concentration. These would be expected to lessen with the proposed BMPs. There are no downstream existing storm drains.

No impacts to groundwater would be expected. The development does not propose using groundwater as a water source. The site design BMPs and LID considerations will result in greater infiltration, as the development has increased vegetated areas and landscaping, disconnected storm drains, and permeable pavers, but the small size of this site and its location limit the potential of any meaningful recharge of groundwater.

Significance criteria include actions that can "...substantially degrade water quality." Best Management Practices (BMPs) have been included in the Storm Water Mitigation Plan; these BMPs would reduce any impacts to below a level of significance.

**Finding:** Pursuant to CEQA Section 21081(a)(1) and State CEQA Guidelines section 15091(a)(1), the City finds that conditions, changes, or alterations have been required in, or incorporated into, the Proposed Action which will reduce the significant environmental effect identified in the Final SEIR to below a level of significance.

**Facts in Support of Finding:** Impacts would be considered significant if the development would expose people or structures to adverse effects resulting from seismic activity; result in substantial soil erosion; is located on an unstable geologic unit or soil that is unstable, or be located on expansive soil as defined by the Uniform Building Code, that would create substantial risks to life or property.

**Mitigation:** Because required Low Impact Development (LID) measures have been incorporated into the Development's design, potential impacts to hydrology and water quality have been avoided and no mitigation measures are required.

## 5.5 Land Use

**Environmental Impacts:** The Proposed Action would provide visitor-serving accommodations including a four-story hotel as well as residential housing in a four-story condominium structure. The Development Plan is for a fully-integrated mixed-use site. Applicable land use plans, policies and regulations include the Oceanside Downtown Redevelopment Plan, the "D" Downtown District Ordinance, the Mixed Use Development Plan, the City's Draft Subarea Plan, and the Oceanside Local Coastal Program (LCP).

**Finding:** Pursuant to CEQA Section 21081(a)(1) and State CEQA Guidelines section 15091(a)(1), the City finds that conditions, changes, or alterations have been required in, or incorporated into, the Proposed Action which will reduce the significant environmental effect identified in the Final SEIR to below a level of significance.

**Facts in Support of Finding:** Impacts to land use would be considered significant if implementation of the proposed development would result in the following:

- A substantial conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the development adopted for the purpose of avoiding or mitigating an environmental effect;
- A substantial physical effect on the environment or persons occupying nearby property resulting from actions that are consistent with established land use regulations or policies; or
- A substantial physical conflict with an existing adjacent land use, including substantial incompatibility with significant wildlife, recreation, resource production and hazardous areas.
- The proposed development would be consistent with all applicable land use plans and policies, with the acquisition of two CUPs: one to allow the proposed structures to exceed the 45-foot maximum height limit and the second to allow for the reduction of commercial parking spaces by 20 percent.

**Mitigation.** No mitigation measures are required.

## 5.6 Noise

**Environmental Impacts:** The proposed development would result in the demolition of existing onsite structures, and the construction of two new structures. Demolition and construction activities would generate short-term noise impacts.

The hotel would be exposed to traffic-generated noise from I-5 and North Coast Highway. Eastern-facing hotel rooms situated on the third and fourth floors would be exposed to the highest exterior noise levels. These floors would be exposed to an exterior noise level of 71 dB-A CNEL, which is 5 decibels higher than existing cumulative conditions of 66 CNEL along the eastern property line.

The proposed condominium structure would consist of 24 attached units - all of which would receive substantial noise screening from I-5 and North Coast Highway traffic due to the presence of the proposed hotel on the eastern lot. Vehicular traffic-generated noise impacts to the proposed condominium structure are therefore considered to be relatively low.

**Finding:** Pursuant to CEQA Section 21081(a)(1) and State CEQA Guidelines section 15091(a)(1), the City finds that conditions, changes, or alterations have been required in, or incorporated into, the Proposed Action which will reduce the significant environmental effect identified in the Final SEIR to below a level of significance.

**Facts in Support of Finding:** Impacts would be considered significant if the development would expose residents to noise levels that exceed local, state, or federal ambient noise standards; or if it would result in a substantial permanent increase in ambient noise levels in the property's vicinity. The maximum compatible exterior noise level for residential land uses, including hotels, in the City of Oceanside is 65 dB-A CNEL. In addition to exterior noise limits, the City of Oceanside per State of California Title 25 requires all new attached residential structures located within an exterior noise environment of 60 dB-A CNEL or more to ensure that interior noise levels do not exceed 45 dB-A CNEL.

**Mitigation:** Because building designs for the proposed development had not been finalized at the time the acoustical report was prepared, estimated interior noise levels within the hotel, based on design, could not be calculated. When building designs are complete, an interior noise analysis will be performed, and recommended design features incorporated for the hotel portion of the development prior to issuance of building permits. Compliance with all recommended measures will ensure that interior noise levels within the hotel do not exceed 45 dB-A CNEL.

To avoid short-term indirect impacts to sensitive avian species potentially occurring within the development area, the following measures shall be implemented:

- If active nests of special status bird species or raptors are found during the pre-construction survey, all construction activity must remain at least 300 feet (500 feet

minimum for raptors) away from the nests. The project biologist, in consultation with the California Department of Fish and Game (CDFG) may reduce this distance for certain species.

- If avoiding construction within the 300/500-foot buffer zone is impractical to abide by for the duration of the nesting season, noise levels at the nest site may be evaluated. If construction noise can be maintained at 60 dBA or below (or if ambient noise levels are in excess of 60 dBA and construction does not increase measurable noise levels), construction may proceed without additional avoidance measures. If noise generated from construction activities will exceed this level, however, noise barriers will be installed to reduce construction noise levels to 60 dBA or less for the duration of the birds' nesting period.

## 5.7 Traffic

### **Environmental Impacts:**

**Finding:** Pursuant to CEQA Section 21081(a)(1) and State CEQA Guidelines section 15091(a)(1), the City finds that conditions, changes, or alterations have been required in, or incorporated into, the Proposed Action which will reduce the significant environmental effect identified in the Final SEIR to below a level of significance.

**Facts in Support of Finding:** When a Proposed Action has an impact that will reduce the level of service in excess of standards established in the local general plan or traffic circulation element, it is considered significant. Impacts on the daily street segments would initially be considered significant if the addition of traffic generated by the Proposed Action would cause a decrease in the daily LOS to worse than LOS C (LOS D, E, or F) or if the existing daily LOS is worse than LOS C.

The roadway segment of North Coast Highway between SR 76 and Surfrider Way is forecast to operate at LOS D, for scenarios with and without the development under Existing Plus Cumulative Conditions. The increase in volume to capacity ratio attributable to the development is 0.012, which is below the 0.02 threshold for significance.

The roadway segment of North Coast Highway between SR 76 and Surfrider Way is forecast to operate at LOS D, for scenarios with and without the development under Horizon Year 2020 Conditions. The increase in volume to capacity ratio attributable to the development is 0.012, which is below the 0.02 threshold for significance.

The intersection of North Coast Highway and Harbor Drive is forecast to operate at LOS D in the pm peak hour, both with and without the development. The increase in delay attributable to the development is 0.012 second, which is below the 2.0 second threshold for significance.

**Mitigation:** No mitigation measures are required.

## 5.8 Cumulative Contribution to Global Climate Change

**Environmental Impact:** The Project's incremental (cumulative) contribution to global climate change is extremely small, but it is being treated as significant and unmitigable as there are no uniformly identified standards or criteria for establishing "thresholds of significance" at this time. Currently the development area generates approximately 640 ADT; upon completion, it is expected to generate 1462 trips (1270 ADT from the hotel and 192 ADT from the condominiums). This would represent an increase of 782 trips per day, or 228%. Thus, it can be assumed that mobile source emissions contributing to regional greenhouse gases (GHGs) would more than double.

**Finding:** Pursuant to CEQA Guidelines §15091(a)(3), specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible certain mitigation measures and the project alternatives identified in the EIR. In the absence of definitive guidelines, for purposes of this EIR, the development's contribution to GHG emissions is assumed to be cumulatively significant and unmitigable.

**Facts in Support of Finding:** When a Proposed Action has an impact that will contribute to Global Climate Change by adding to emissions that contribute to regional greenhouse gases, it is considered significant. The addition of traffic generated by the Proposed Action will more than double traffic loads under existing conditions, causing a corresponding increase in regional GHGs.

**Mitigation:** Due to the nature of the hotel and restaurant element of the proposed development, it would be difficult to incorporate measures to reduce mobile source emissions such as carpooling, use of mass transit, flexible hours of employment, etc. The newer hotel, restaurant, and condominium structures would be expected to be more energy-efficient, but the reduction in point-source emissions would likely not off-set the increased mobile source emissions.

In the absence of definitive guidelines, for purposes of this EIR, the development's contribution to GHG emissions is assumed to be cumulatively significant and unmitigable.

## 6. MITIGATION MEASURES TO BE IMPLEMENTED BY ANOTHER PUBLIC AGENCY

The decision making body, having reviewed and considered the information in the Final SEIR, the related documents, and record, finds that none of the changes or alterations required in, or incorporated into the Proposed Action, are within the responsibility or jurisdiction of another public agency.

## 7. FINDINGS REGARDING ALTERNATIVES

**7.1 Environmental Impacts:** Because the Proposed Action will cause significant environmental effects, the City must consider the feasibility of any environmentally superior alternatives to the Proposed Action, evaluating whether these alternatives could avoid or substantially lessen the unavoidable significant effects while achieving most of the objectives of the Proposed Action. The Draft EIR included a discussion of Two alternatives: Alternative A – No Development Alternative, and Alternative B – Reduced Development (Fewer Hotel Units).

The Proposed Action will have potentially significant though mitigable impacts to biology, cultural/paleontological resources, geology/soils and noise. Impacts to each of these issues will be reduced through mitigation measures. The Proposed Action would also have significant cumulative impacts to greenhouse gas emissions, which cannot be fully mitigated.

In rejecting alternatives, the City has examined the objectives of the Proposed Action and weighed the ability of the various alternatives to meet those objectives. The City believes that the Proposed Action best meets these objectives with the least environmental impact. The Proposed Action Objective is as follows:

1. Redevelopment of the site by a private owner/developer for visitor serving uses, and provision of residential units consistent with the intended uses of the redevelopment district (Action Item No. 3 of the Redevelopment Plan).
2. Improvement of the condition and performance of the property by providing attractive, desirable visitor accommodations and restaurant facilities, and improve the aesthetics and urban fabric of the area.
3. Demolition of older buildings without primary historical significance (Action Item No. 7 of the Redevelopment Plan).
4. Implementation of the General Plan's economic goals by providing a source of additional revenues through increase property and sales taxes.

**Description of Alternative A – No Development Alternative:** The No Development Alternative would not allow the proposed development, leaving the land in its present condition, and no new impacts would occur. While the No Development Alternative essentially maintains the physical status quo onsite, it is not necessarily feasible or environmentally superior.

**Finding:** On a comparative basis, the No Development Alternative would potentially violate the property owner's right to make reasonable beneficial use of the property. The No Proposed Action Alternative is inconsistent with the long-standing General Plan, Zoning, and Redevelopment goals for the property. The City would not benefit from the increased tax increment generated by the Proposed Action.

**Facts in Support of Finding:** While the No Development Alternative essentially maintains the physical status quo on-site, it is not necessarily feasible or environmentally superior. On a comparative basis, the No Proposed Action Alternative would:  
On a comparative basis, the No Development Alternative would:

- Potentially violate the property owner's rights to make reasonable beneficial use of the property consistent with uniformly applied policies, ordinances, regulations, and constitutional protections and reasonable investment backed expectations of development and use consistent with the Redevelopment Plan, designating the property to be developed for mixed use.
- Re-direct the needed visitor-serving commercial and residential development to be developed elsewhere, with impacts to that area.
- Be inconsistent with the goals and objectives of the Redevelopment Plan.

**Description of Alternative B – Reduced Development (Fewer Hotel Units)**

**Alternative:** This alternative would involve a reduction in the number of hotel rooms on the fourth floor. The proposed fourth floor hotel plan is shown in Figure VI.B-1. This alternative would eliminate all 17 Room “A” Units, leaving a total of 24 “B” Units (a 6900 sq ft reduction, or 13%).

**Finding:** This alternative would result in roughly the same impacts to aesthetics, biological resources, geology/soils, hydrology/water quality, land use, and noise. Traffic would be reduced from 1462 ADT to 1292 ADT. While this would not change the significance of impact to traffic and circulation, it would still result in an increase of just over twice the existing ADT of 640 trips, and cumulative impacts to greenhouse gases would still be significant and unmitigable.

**Facts in Support of the Finding:** The maximum number of hotel units which could be built per the existing zoning regulations is 145, but the development is proposing 127 rooms, which is the maximum number of units allowable due to parking requirements and height limitations. Any further reduction in the room count below the 17 units to be eliminated under this alternative would involve combining rooms, leaving 800-850 sq ft rooms for every two combined. This would not be compatible with the hotel's format/rating and would be economically infeasible. Further, this alternative would not avoid or reduce significant impacts to cumulative greenhouse gas emissions. For these reasons, this alternative is not considered environmentally preferable and has therefore been rejected.

## 8. STATEMENT OF OVERRIDING CONSIDERATIONS

As discussed in Section 5 of these Findings, the Final EIR concludes that the Project, even with incorporation of all feasible mitigation measures and consideration of alternatives, will nonetheless have a significant cumulative impact on global climate change.

Under CEQA, before a project which is determined to have significant, unmitigable environmental effects can be approved, the public agency must consider and adopt a “statement of overriding considerations” pursuant to CEQA Guidelines 15043 and 15093. As the primary purpose of CEQA is to fully inform the decision makers and the public as to the environmental effects of a Project and to include feasible mitigation measures and alternatives to reduce any such adverse effects below a level of significance, CEQA nonetheless recognizes and authorizes the approval of projects where not all adverse impacts can be fully lessened or avoided. However, the agency must explain and justify its conclusion to approve such a project through the statement of overriding considerations setting forth the Project’s general, social, economic, policy or other public benefits which support the agency’s informed conclusion to approve the Project.

The City finds that the Proposed Action has the following substantial social, economic, policy and other public benefits justifying its approval and implementation, notwithstanding not all environmental impacts were fully reduced below a level of significance:

- City General Plan and Policies. The Proposed Action will implement the General Plan by fulfilling its call for rehabilitating and revitalizing the Redevelopment - Downtown District. The existing hotel and restaurant would be demolished, and a new hotel, restaurant and residential building will be built in their stead.
- Zoning. The Proposed Action provides a hotel, restaurant and residential building; all of which implement the City’s zoning of “D” Downtown District: Subdistrict 7B, which is designated for Recreational/Commercial/Residential uses.
- Oceanside Downtown Redevelopment Plan. The Proposed Action would support the goals of the Oceanside Downtown Redevelopment Plan through the demolition of older existing buildings and paved areas onsite, and the construction of new, more visually pleasing structures and landscaping which would serve to promote the image of a revitalized community. The development would provide job opportunities and a much higher source of revenue to the City than is currently offered by existing development, thus contributing to the economic revitalization of the area.
- Oceanside Local Coastal Program (LCP). The Proposed Action is consistent with the LCP designation for the site of “Coastal Dependent, Recreation, and Visitor Serving Commercial”. The proposed development provides a moderately priced hotel and restaurant to the North Coast Highway corridor.
- City of Oceanside Economic Sustainability. Tourism is valuable to the City for the

amount of Transient Occupancy Tax (TOT) the industry is able to generate. According to the Economic Sustainability Study, the revenue earned from TOT has consistently increased over the years, primarily due to new hotels and increase in hotel rates. One key component that was identified by the City's Economic Development Commission was increasing TOT revenue by adding 100 additional rooms per year. The Proposed Action would increase the number of hotel rooms on the property from 97 to 127.

- Employment Opportunities. Approximately 170 construction jobs are projected to be created by the Proposed Action. The proposed hotel is estimated to require 27 to 30 full-time employees, while the proposed condominium is expected to require 3 to 5 full-time employees. Thus, the Proposed Action would potentially provide permanent employment for 35 full-time employees, as well as 170 temporary construction-related employment opportunities.
- Tax Revenue to the City. As discussed above, tourism is valuable to the City for the amount of Transient Occupancy Tax (TOT) the industry is able to generate. The existing motel generated a TOT of \$79,499.23 in 2007, and an even lower TOT of \$68,188.71 the following year. The Proposed Action is projected to generate a TOT between \$450,000 and \$520,000 in a representative year. Once operations stabilize, the TOT generated by the hotel is projected to increase to between \$537,000 and \$621,000. This number is based on the 127 hotel rooms averaging a daily room rate between \$140 and \$150 in a representative year, with an estimated occupancy of 70 to 75 percent when the hotel's operations stabilize.

Though no market research and analysis has been performed to provide reliable estimates of the revenue generated from the proposed rental program, potential TOT from the Proposed Action's condominium rental program are estimated at a low of \$8,400, with a high of \$61,600 in a representative year. Upon stabilization, the low estimate of generated TOT would be \$10,000 with a high of \$73,500. These estimates would vary depending on occupancy, average room rate and room revenues generated.

- Productive Reuse. The Proposed Action will make productive and attractive reuse of the project site that is currently occupied by older, non energy-efficient structures that do not possess historic value. The Proposed Action will make views of the river and coastline available to the public by constructing an observation deck.

## STATEMENT OF OVERRIDING CONSIDERATIONS

As discussed in Section 5 of these Findings, the Final EIR concludes that the Project, even with incorporation of all feasible mitigation measures and consideration of alternatives, will nonetheless have a significant cumulative impact on global climate change.

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- Zoning. The Proposed Action provides a hotel, restaurant and residential building; all of which implement the City’s zoning of “D” Downtown District: Subdistrict 7B, which is designated for Recreational/Commercial/Residential uses.
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to the Economic Sustainability Study, the revenue earned from TOT has consistently increased over the years, primarily due to new hotels and increase in hotel rates. One key component that was identified by the City's Economic Development Commission was increasing TOT revenue by adding 100 additional rooms per year. The Proposed Action would increase the number of hotel rooms on the property from 97 to 127.

- Employment Opportunities. Approximately 170 construction jobs are projected to be created by the Proposed Action. The proposed hotel is estimated to require 27 to 30 full-time employees, while the proposed condominium is expected to require 3 to 5 full-time employees. Thus, the Proposed Action would potentially provide permanent employment for 35 full-time employees, as well as 170 temporary construction-related employment opportunities.
- Tax Revenue to the City. As discussed above, tourism is valuable to the City for the amount of Transient Occupancy Tax (TOT) the industry is able to generate. The existing motel generated a TOT of \$79,499.23 in 2007, and an even lower TOT of \$68,188.71 the following year. The Proposed Action is projected to generate a TOT between \$450,000 and \$520,000 in a representative year. Once operations stabilize, the TOT generated by the hotel is projected to increase to between \$537,000 and \$621,000. This number is based on the 127 hotel rooms averaging a daily room rate between \$140 and \$150 in a representative year, with an estimated occupancy of 70 to 75 percent when the hotel's operations stabilize.

Though no market research and analysis has been performed to provide reliable estimates of the revenue generated from the proposed rental program, potential TOT from the Proposed Action's condominium rental program are estimated at a low of \$8,400, with a high of \$61,600 in a representative year. Upon stabilization, the low estimate of generated TOT would be \$10,000 with a high of \$73,500. These estimates would vary depending on occupancy, average room rate and room revenues generated.

- Productive Reuse. The Proposed Action will make productive and attractive reuse of the project site that is currently occupied by older, non energy-efficient structures that do not possess historic value. The Proposed Action will make views of the river and coastline available to the public by constructing an observation deck.

**CHAPTER D****MITIGATION MONITORING AND REPORTING PROGRAM**

This document identifies mitigation measures which would reduce or eliminate potential environmental impacts of the proposed development. The City of Oceanside is required to implement all adopted mitigation measures. To ensure compliance, the following Mitigation Monitoring Program and checklist is provided. This program is to be adopted by the Lead and Responsible agencies upon formulation of Findings, to comply with Assembly Bill 3180 (Public Resources Code Section 21080.6).

The Planning, Public Works Department, and Building (Code Enforcement) Departments of the City of Oceanside will administer the Mitigation Monitoring Plan. Augments by possible contract personnel, these Departments are responsible for enforcement of City zoning regulations, which is provided on a full-cost recovery basis by the City. Authorization to commence any on-site activity occurs only after concurrence of the respective City Departments.

Information contained within the following checklist identifies the mitigation measure, the conditions required to verify compliance, the department responsible for determining compliance, and the monitoring schedule. The City of Oceanside determines which measures are applicable to the specific discretionary actions identified in the monitoring schedule.

**HYATT PLACE OCEANSIDE AND NORTH COAST CONDOMINIUM PROJECT  
MITIGATION, MONITORING AND REPORTING PROGRAM**

BIOLOGICAL RESOURCES			
MITIGATION MEASURES	TYPE	MONITOR	SCHEDULE
<p><b>Mitigation</b></p> <p><u>Indirect impacts.</u> To avoid "edge effects" associated with indirect impacts to sensitive species occurring within the off-site habitat along the San Luis Rey River, the following measures shall be implemented:</p> <ul style="list-style-type: none"> <li>• <b>Invasive Species.</b> Landscaping within the development area shall avoid the use of invasive non-native plants, detailed in Table 5-5 of the draft HCP and/or the California Invasive Plant Inventory (California Invasive Plant Council, 2006).</li> </ul> <p><b>Seasonal Restrictions on Grading.</b> No grading, grubbing, or clearing shall be allowed during the breeding season for least Bell's vireo (March 15-September 15) or raptors (January 31 - July 31), unless preconstruction surveys are conducted to determine if these species occur within areas that would be impacted by noise levels greater than 60 dB L<sub>eq</sub>. If these species are nesting within this area at the time, these construction activities shall either (1) be postponed until all nesting/breeding behavior has ceased, or (2)a temporary noise barrier or berm is constructed at the edge of the development footprint to ensure that noise levels are reduced to below 60 dB L<sub>eq</sub>.</p>	CM	Engineering Division	Upon project completion
	CM	Engineering Division	During grading and construction

**BIOLOGICAL RESOURCES CONTINUED**

MITIGATION MEASURES	TYPE	MONITOR	SCHEDULE
<p>To ensure compliance with the Migratory Bird Treaty Act, clearing of any native vegetation shall be done outside the breeding season of most avian species (February 15-July 31), unless pre-construction surveys are conducted to determine that no nesting birds are present immediately to clearing nor are in areas which could be impacted by noise.</p> <ul style="list-style-type: none"> <li>• <b>Water quality.</b> Implementation of standard construction Best Management Practices (BMPs) including dust control, erosion control and water quality protection are required to obtain a grading permit. Dust and erosion control measures will be carried out during construction to prevent further disturbance of the steep slope on site and to prevent sediment discharges to the San Luis Rey River.</li> <li>• <b>Construction limits.</b> To ensure that construction activity remains within the defined limits of work, all construction and staging areas shall be fenced with orange construction fencing and silt fencing or fiber rolls. Delineated areas shall be regularly inspected by the project biologist per the construction monitoring schedule.</li> </ul> <p>If active nests of special status bird species or raptors are found during the pre-construction survey, all construction activity must remain at least 300 feet (500 feet minimum for raptors) away from the nests to avoid significant impacts. The project biologist, in consultation with the California Department of Fish and Game (CDFG) may reduce this distance for certain species.</p>	<p>CM</p>	<p>Engineering Division</p>	<p>During grading and construction</p>
<p>If active nests of special status bird species or raptors are found during the pre-construction survey, all construction activity must remain at least 300 feet (500 feet minimum for raptors) away from the nests to avoid significant impacts. The project biologist, in consultation with the California Department of Fish and Game (CDFG) may reduce this distance for certain species.</p>	<p>CM</p>	<p>Engineering Division</p>	<p>During grading and construction</p>
<p>If active nests of special status bird species or raptors are found during the pre-construction survey, all construction activity must remain at least 300 feet (500 feet minimum for raptors) away from the nests to avoid significant impacts. The project biologist, in consultation with the California Department of Fish and Game (CDFG) may reduce this distance for certain species.</p>	<p>CM</p>	<p>Planning Division</p>	<p>During grading and construction</p>

**BIOLOGICAL RESOURCES CONTINUED**

MITIGATION MEASURES	TYPE	MONITOR	SCHEDULE
<ul style="list-style-type: none"> <li>• <b>Fugitive dust.</b> Standard dust control measures, such as watering, shall be used during construction to suppress the fine dust particulates from becoming airborne, thus lowering any potential associated impacts to a level below significance.</li> <li>• <b>Brush management.</b> Boundaries of native vegetation communities shall be clearly delineated prior to conducting brush management so they may be avoided during clearing. Any on-going brush management activities shall be conducted in accordance with City regulations. In addition, nesting bird surveys shall be conducted prior to vegetation clearing that is to occur during nesting season (between February 1 and September 30), thereby avoiding impacts to nesting birds.</li> </ul>	<p>CM</p> <p>CM</p>	<p>Engineering Division</p> <p>Planning Division</p>	<p>During grading and construction</p> <p>Following construction</p>
<p><b>Mitigation Implementation and Monitoring</b></p> <p>The project biologist will be responsible for working with the construction contractor to ensure that protective construction fencing and/or temporary noise barriers are in place, if necessary, prior to site grading and grubbing.</p>	<p>CM</p>	<p>Planning Division</p>	<p>Prior to project grading</p>

**CULTURAL AND PALEONTOLOGICAL RESOURCES**

CULTURAL AND PALEONTOLOGICAL RESOURCES				
MITIGATION MEASURES		TYPE	MONITOR	SCHEDULE
<p><u>Cultural Resources.</u> Due to the potential for unidentified cultural resources to be unearthed during redevelopment phases, an archaeological monitoring program shall be conducted during demolition and grading to ensure that site development would have no significant impacts to cultural resources within the development area. The program would consist of the following:</p>				
<ul style="list-style-type: none"> <li>• The development of a pre-excavation agreement between the applicant, the appropriate Luiseño tribe(s), and the City of Oceanside.</li> </ul>		CM	Planning Division	Prior to project grading
<ul style="list-style-type: none"> <li>• The presence of a qualified archaeologist and a Native American monitor at the pre-construction meeting.</li> </ul>		CM	Planning Division	Prior to project grading
<ul style="list-style-type: none"> <li>• A Native American monitor and an archaeological monitor on-site during grading, trenching, and other ground-disturbing activities.</li> </ul>		CM	Planning Division	During grading and construction
<ul style="list-style-type: none"> <li>• The analysis of any cultural material found.</li> </ul>		CM	Planning Division	During grading and construction
<ul style="list-style-type: none"> <li>• The preparation of a report detailing the methods and results of the monitoring program.</li> </ul>		CM	Planning Division	During and/or following grading and construction
<ul style="list-style-type: none"> <li>• The curation or repatriation of the cultural material collected.</li> </ul>		CM	Planning Division	During and/or following grading and construction
<p>Implementation of this monitoring program would ensure that site development would have no significant impacts to cultural resources within the development area.</p>				

CULTURAL AND PALEONTOLOGICAL RESOURCES CONTINUED

MITIGATION MEASURES	TYPE	MONITOR	SCHEDULE
<p><u>Paleontological Resources.</u> The following measures are required to offset potential impacts to paleontological resources:</p> <ul style="list-style-type: none"> <li>• Prior to issuance of grading permits, the applicant shall confirm to the City of Oceanside that a qualified paleontologist has been retained to carry out the mitigation program. The paleontologist shall attend pre-grade meetings to consult with grading and excavation contractors.</li> </ul>	CM	Planning Division	Prior to project grading
<ul style="list-style-type: none"> <li>• A paleontological monitor shall be onsite during grading operations to evaluate the presence of fossils within previously undisturbed sediments to inspect cuts for contained fossils. (A paleontological monitor is defined as an individual who has experience in the collection and salvage of fossil materials.) The paleontological monitor shall work under the direction of a qualified paleontologist. Paleontological monitoring need not be continued in the underground parking garage if, in the opinion of a qualified paleontologist, the excavation extends below the terrace sediments and into the San Onofre Breccia.</li> </ul>	CM	Planning Division	During grading and construction
<ul style="list-style-type: none"> <li>• When fossils are discovered, the paleontologist (or paleontological monitor) shall recover them. In most cases, this fossil salvage can be completed in a short period of time. Some fossil specimens (such as a complete whale skeleton) may require an extended salvage time. In these instances, the paleontologist (or paleontological monitor) shall be allowed to temporarily direct, divert, or halt grading. To allow recovery of small fossil remains such as isolated mammal teeth, it may be necessary in certain instances to set up a screen-washing operation on the site.</li> </ul>	CM	Planning Division	During grading and construction

CULTURAL AND PALEONTOLOGICAL RESOURCES CONTINUED

MITIGATION MEASURES	TYPE	MONITOR	SCHEDULE
<ul style="list-style-type: none"> <li>Prepared fossils along with copies of all pertinent field notes, photos, and maps shall be deposited (with the applicant's permission) in a scientific institution with paleontological collection such as the San Diego Natural History Museum. A final summary report shall be completed and distributed to the City and other interested agencies which outlines the results of the mitigation program. This report shall include discussions of the methods used, stratigraphy exposed, fossils collected, and significance of recovered fossils.</li> </ul> <p><b>Mitigation Implementation and Monitoring</b></p> <p>Prior to issuance of the project's grading permit, the applicant shall confirm to the City of Oceanside that qualified archeologists and paleontologists have been retained to carry out the mitigation program. The archaeologist and paleontologist shall attend pre-grade meetings to consult with grading and excavation contractors.</p>	CM	Planning Division	During and/or following grading and construction
<p>Prior to issuance of the project's grading permit, the applicant shall confirm to the City of Oceanside that qualified archeologists and paleontologists have been retained to carry out the mitigation program. The archaeologist and paleontologist shall attend pre-grade meetings to consult with grading and excavation contractors.</p>	CM	Planning Division	Prior to project grading

GEOLOGY/SOILS				
MITIGATION MEASURES		TYPE	MONITOR	SCHEDULE
<p><u>Development Design.</u> The subject site is located in Seismic Zone 4 according to the UBC and the proposed structures shall be designed accordingly. Compliance with UBC regulations will reduce potential impacts to levels below significance.</p>		CM	Engineering Division	Prior to project grading
<p><u>Site Preparation.</u> The upper 2 to 4 inches of onsite soils containing asphaltic concrete, vegetation, roots and other organic matter will be removed from the building and pavement areas, and at least 5 feet outside the building perimeter.</p>		CM	Engineering Division	During grading and construction
<p><u>Soil Preparation and Grading.</u> To minimize post-construction soil movement, unless resistant formational materials are encountered, at least 2 feet below the base of the footings and the slab system shall be excavated, moisture-conditioned to near optimum, and recompacted to a minimum of 95 percent of maximum density based on ASTM D1557 Test Method. Therefore, if the footings are 18 inches deep, the total depth of recompaction within the proposed footing area should be 4½ feet.</p>		CM	Engineering Division	During grading and construction
<p>The overexcavations are to extend a minimum of 5 feet beyond footing lines and structural elements. Fill material will be compacted to a minimum of 95 percent of maximum density based on ASTM D1557 Test Method.</p>		CM	Engineering Division	During grading and construction
<p>For soil stabilization and identification of any unsuitable areas not found during the geotechnical field investigation, the exposed subgrade within proposed pavement areas shall be excavated/scarified to a depth of at least 12 inches, worked until uniform and free from large clods, moisture-conditioned as necessary, and recompacted to a minimum of 95 percent of maximum density based on ASTM Test Method D1557. Limits of recompaction shall extend 5 feet beyond structural elements.</p>		CM	Engineering Division	During grading and construction

**GEOLOGY/SOILS CONTINUED**

MITIGATION MEASURES	TYPE	MONITOR	SCHEDULE
<p>Fill located onsite is not surficially stable in its existing condition. Removal and proper recompaction during remedial grading will reduce potential impacts to a level below significance.</p>	CM	Engineering Division	During grading and construction
<p>In the event that excavations near existing structures need to be performed in a vertical position (due to space limitation), braced shorings or shields may be used to support this method.</p>	CM	Engineering Division	During grading and construction
<p>Shoring or sloping back trench sidewalls shall be utilized if necessary to prevent caving of the sandy soils during trench wall excavation. As demolition of existing onsite structures and pavement may disturb the upper soils, soils within the building pad and exterior flatwork areas shall be removed and/or recompacted.</p>	CM	Engineering Division	During grading and construction
<p>To protect the soils from winter moisture which may render the soil unstable, an aggregate base will be placed over areas of earthwork.</p>	CM	Engineering Division	During grading and construction
<p><u>Surface Drainage Control.</u> To prevent perched water conditions that may result from the less permeable materials of the San Onofre Breccia, the ground surface will slope away from the building pad and pavement areas toward appropriate drop inlets or other surface drainage devices. Adjacent exterior grades shall be sloped to a minimum of 2 percent for a minimum distance of 5 feet away from structures. Subgrade soils in pavement areas will be sloped a minimum of 1 percent and drainage gradients maintained to carry all surface water to collection facilities and off site. These grades are to be maintained for the life of the development. Roof drains will be installed with appropriate downspout extensions out-falling on splash blocks to direct water a minimum of 5 feet away from the structures or be connected to the development's storm drain system.</p>	CM	Engineering Division	During grading and construction

**GEOLOGY/SOILS CONTINUED**

MITIGATION MEASURES		TYPE	MONITOR	SCHEDULE
<p><u>Excavation Stability.</u> Open, unbraced excavations in undisturbed soils will be conducted at a 1:1 slope for excavations up to a depth of 5 feet, and at a 1.5:1 slope for excavations between 5 and 10 feet in depth. If space limitation necessitates that excavations near existing structures occur in a vertical position, braced shorings or shields may be used to support such a method. In compliance with local and state safety regulations, the proposed development will utilize a properly designed and installed shoring system if vertical excavation is necessary.</p>		CM	Engineering Division	During grading and construction
<p><u>Buried Structures.</u> Development implementation would include the demolition of existing buildings and associated paved parking areas. Buried structures encountered during construction would be properly removed, and excavations backfilled.</p>		CM	Engineering Division	During grading and construction
<p>The geotechnical consultant shall review the final development plans prior to construction to ensure that they are in compliance with the recommendations and requirements established in the geotechnical studies. A geologist shall be present onsite to monitor site clearing, preparation of exposed surfaces after clearing, placement, treatment and compaction of fill material. Periodic compaction tests should be performed to establish substantial conformance with the recommendations of the Geotechnical Report (Appendix D). A geologist shall observe foundation excavations prior to placement of reinforcing steel or concrete to assess compatibility between actual bearing conditions and the conditions anticipated during the preparation of the Geotechnical report (2007). A geologist shall also observe the placement of foundation and slab concrete as well.</p>		CM	Engineering Division	Prior to project grading

NOISE			
MITIGATION MEASURES	TYPE	MONITOR	SCHEDULE
<p>When building designs are complete, an interior noise analysis will be performed, and recommended design features incorporated for the hotel portion of the development prior to issuance of building permits. Compliance with all recommended measures will ensure that interior noise levels within the hotel do not exceed 45 dB-A CNEL.</p> <p>To avoid short-term indirect impacts to sensitive avian species potentially occurring within the development area, the following measures shall be implemented:</p> <ul style="list-style-type: none"> <li>• If active nests of special status bird species or raptors are found during the pre-construction survey, all construction activity must remain at least 300 feet (500 feet minimum for raptors) away from the nests. The project biologist, in consultation with the California Department of Fish and Game (CDFG) may reduce this distance for certain species.</li> <li>• If avoiding construction within the 300/500-foot buffer zone is impractical to abide by for the duration of the nesting season, noise levels at the nest site may be evaluated. If construction noise can be maintained at 60 dBA or below (or if ambient noise levels are in excess of 60 dBA and construction does not increase measurable noise levels), construction may proceed without additional avoidance measures. If noise generated from construction activities will exceed this level, however, noise barriers will be installed to reduce construction noise levels to 60 dBA or less for the duration of the birds' nesting period.</li> </ul>	CM	Engineering Division	Prior to project grading
	CM	Planning Division	During grading and construction
	CM	Engineering Division	During grading and construction

NOISE CONTINUED			
MITIGATION MEASURES			
MITIGATION MEASURES	TYPE	MONITOR	SCHEDULE
The project biologist will be responsible for working with the construction contractor to ensure that protective construction fencing and/or temporary noise barriers are in place, if necessary, prior to site grading and grubbing.	CM	Planning Division	Prior to project grading

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RESOLUTION NO. 10-

A RESOLUTION OF THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF OCEANSIDE APPROVING A TENTATIVE MAP, DEVELOPMENT PLAN, CONDITIONAL USE PERMITS AND REGULAR COASTAL PERMIT FOR THE CONSTRUCTION OF A MIXED USE DEVELOPMENT CONSISTING OF 24-UNITS RESIDENTIAL CONDOMINIUM, 127-UNIT HOTEL AND 7,000 SQUARE FOOT RESTAURANT LOCATED AT 1103-1105 NORTH COAST HIGHWAY – APPLICANT: SHANTU PATEL

WHEREAS, on August 18, 2010, the Community Development Commission held its duly noticed public hearing, considered an application for a Tentative Map (T-200-07), Development Plan (D-201-07), Conditional Use Permits (C-200-07 & C-204-07) and Regular Coastal Permit (RC-202-07) for the construction of a mixed-use development consisting 24 residential condominium units, 127-unit hotel, and 7,000 square foot restaurant located at 1103-1105 North Coast Highway, on certain real property described in Exhibit “A”;

WHEREAS, the Redevelopment Design Review Committee (RDRC) of the City of Oceanside did, on December 19, 2008, review and recommend approval of Tentative Map (T-200-07), Development Plan (D-201-07), Conditional Use Permits (C-200-07 & C-204-07) and Regular Coastal Permit (RC-202-07);

WHEREAS, the Redevelopment Advisory Committee (RAC) of the City of Oceanside did, on June 16, 2010 review and recommend approval of Tentative Map (T-200-07), Development Plan (D-201-07), Conditional Use Permits (C-200-07 & C-204-07) and Regular Coastal Permit (RC-202-07);

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. The Final Environmental Impact Report has identified significant, unmitigable impacts with no feasible mitigation measures. These significant, unmitigable impacts are acceptable due to overriding social, economic and other benefits as specified in the Findings and Statement of Overriding Considerations.

WHEREAS, the Final Environmental Impact Report was also reviewed and certified by the Community Development Commission prior to taking action on Tentative Map (T-200-07), Development Plan (D-201-07), Conditional Use Permits (C-200-07 & C-204-07) and Regular

1 Coastal Permit (RC-202-07);

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

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

7	<u>Description</u>	<u>Authority for Imposition</u>	<u>Current Estimate Fee or</u>
8			<u>Calculation Formula</u>
9			
10	Parkland Dedication Fee	Ordinance No. 91.10	\$3,503 per unit
11		Resolution No. 06-R0334-1	
12	Drainage Fee	Ordinance No. 85-23	\$2,843 per acre
13		Resolution No. 06-R0334-1	
14	Public Facility Fee	Ordinance No. 91-09	\$713 per thousand square
15		Resolution No. 06-R0334-1	feet
16			
17	School Facilities Mitigation	Ordinance No. 91-34	\$.42 per square foot
18	Fee	Resolution No. 06-R0334-1	commercial
19			\$2.63 per square foot
20			residential
21	Traffic Signal Fee	Ordinance No. 87-19	\$15.71 per vehicle trip
22		Resolution No. 06-R0334-1	
23	Thoroughfare Fee	Ordinance No. 83-01	\$255 per vehicle trip (based
24		Resolution No. 06-R0334-1	on SANDAG trip generation
25			table)
26	Water System Buy-in Fees	Oceanside City Code	Fee based on water meter
27		§37.56.1	size. Non-residential is
28		Resolution No. 87-96	\$19,967 for a 2" meter

Description	Authority for Imposition	Current Estimate Fee or Calculation Formula
Wastewater System Buy-in fees	Ordinance No. 09-OR 0093-1  Oceanside City Code § 29.11.1 Resolution No. 87-97 Ordinance No. 09-OR 0092-1	Based on meter size. Non- residential is typically \$24,444 for a 2” meter
San Diego County Water Authority Capacity Fees	SDCWA Ordinance No. 2005-03	Based on meter size. Non- residential is typically \$21,599 for a 2” meter

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;

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;

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, 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

1 WHEREAS, pursuant to Oceanside Zoning Ordinance §4603, this resolution becomes  
2 effective 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, residential condominiums and restaurant meets the requirement  
8 of the Subdistrict 7B zoning designation in that the project creates two lots from one legal lot as  
9 stipulated within Article 12 of the Downtown District development standards. The subdivision  
10 map is consistent with the General Plan, Redevelopment Plan, Local Coastal Program, Article 12  
11 of the Downtown District and the Subdivision Ordinance of the City of Oceanside by creating a  
12 24-unit condominium map from an existing legal lot. In addition, the creation of the hotel lot  
13 meets the 5,000 s.f. minimum lot size for commercial lots located within the Downtown Project  
14 Area.

15 2. The proposed buildings on the site will conform to the topography of the site,  
16 therefore, making them suitable for mixed-use development. The subject site is physically suitable  
17 to allow for the development of a 127-unit hotel, 24-unit residential condominiums and 7,000  
18 square foot restaurant.

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

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

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

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1 **For the Development Plan:**

2 1. The site plan and physical design of the project as proposed is consistent with the  
3 purposes of the City's Zoning Ordinance, Local Coastal Plan and the "D" Downtown District in  
4 that the architectural design of the proposed structure, landscaping, and open space meets or  
5 exceeds the minimum development standards of the "D" Downtown District. The proposed  
6 project meets the minimum setbacks, landscape, open space, height and parking spaces as  
7 stipulated within the "D" Downtown District development standards. In addition, the project is  
8 consistent with the similar mixed-use development located south of the subject site.

9 2. The Development Plan as proposed conforms to the Redevelopment Plan, Local  
10 Coastal Program and General Plan of the City in that the proposed 127-unit hotel, 24-unit  
11 residential condominiums, and 7,000 square foot restaurant uses are consistent with the land  
12 uses of the Redevelopment Plan and the project meets the minimum setbacks, landscape, open  
13 space, height and parking spaces as stipulated within the "D" Downtown District development  
14 standards. The project is consistent with the new mixed-use developments located south of the  
15 subject site.

16 3. The area covered by the Development Plan can be adequately, reasonably and  
17 conveniently served by existing and planned public services, utilities and public facilities. The  
18 proposed 127-unit hotel, 24-unit residential condominiums and 7,000 square foot restaurant will  
19 not create public service and facility demands exceeding the capacity of existing and planned  
20 infrastructure.

21 4. The proposed project, a 127-unit hotel, 24-unit residential condominiums and  
22 7,000 square foot restaurant, is compatible with the newer development within the surrounding  
23 neighborhood in that comparing the project's corresponding square footages to the square footages  
24 of similar mixed-use development projects located within the surrounding neighborhood, it can be  
25 found that the proposed residential unit sizes are comparable in size with similar units. In addition,  
26 the unit sizes of the hotel similar to other hotels in the surrounding neighborhood and the proposed  
27 project would have a positive effect on the area.

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2 5. The site plan and physical design of the project is consistent with Section 1.24 and  
3 1.25 of the Land Use Element of the General Plan, and Section 3039 of the Oceanside Zoning  
4 Ordinance in that the subject site is commercially zoned in addition to the fact that the project does  
5 not propose to grade the existing bluff slopes, therefore, the project does not qualify for Section  
6 3039 C. (Hillside Regulations) of the Oceanside Zoning Ordinance nor Section 1.24 and 1.25 of  
7 the Land Use Element of the General Plan.

8 **For the Mixed-Use Development Plan:**

9 1. The total number of dwelling units in the Mixed-Use Development Plan (MUDP)  
10 does not exceed the maximum density (43 du. ac.) permitted under the General Plan land use  
11 regulations. The project proposes a density of 28.9 du. ac.

12 2. The proposed development achieved under the MUDP will contribute to an  
13 enhanced and superior urban environment in comparison to a development that might otherwise  
14 be realized apart from the proposed MUDP. The residential component of the project requires  
15 more open space which has resulted in the project providing additional open space which would  
16 not be realized in a single use commercial building. In addition, the residential component adds  
17 architectural features such as balconies and patios which would not be typical components of  
18 single use commercial buildings. These architectural features also have the added effect of  
19 “breaking up” the building which provides a more comprehensive design and human scale to  
20 the building.

21 3. The MUDP is consistent with the adopted land use policies and regulations for  
22 the Redevelopment land use area.

23 4. The MUDP will be adequately served by the necessary utilities and facilities.  
24 The project connection to the existing utilities and facilities will not exceed the capacity of the  
25 existing systems.

26 5. The traffic expected to be generated by the MUDP alone, will not exceed the  
27 capacity of the affected streets.

28 6. The MUDP will not significantly effect “shadowing” upon the adjacent  
properties in comparison of the development shading that would otherwise be realized from a  
development not containing a mixed-use component. The project proposes a maximum height  
of 61 feet and as such the “shadowing” effect to adjacent properties will be minimal. In

1 addition, the project north and western portions of the subject site borders on the San Luis Rey  
2 River, the eastern portion borders on North Coast Highway and the southern portion borders on  
3 Costa Pacifica street, therefore, the project will not be shadowing on any surrounding buildings.

4 **Conditional Use Permit for the Hotel:**

5 1. The proposed hotel and associated ancillary uses are consistent with the land use  
6 objectives of the commercial uses that are allowed within Subdistrict 7B and use district of the  
7 Redevelopment Project Area.

8 2. The restrictions for the conditional use permit are consistent with the Zoning  
9 Ordinance, General Plan and Redevelopment Plan, will not affect neighborhood compatibility.  
10 The operation of the proposed business and the conditions under which it will be allowed to  
11 operate will not be detrimental to the public health, safety or welfare of persons residing or  
12 working in or adjacent to the subject site. The conditional use is subject to and must comply with  
13 specific local conditions and additional regulations as deemed necessary.

14 3. The proposed hotel establishment complies with the provisions of the Zoning  
15 Ordinance including any specific condition required for the proposed use in the district in which it  
16 is located.

17 **Conditional Use Permit for the Addition Building Height:**

18 1. The proposed building height for both the hotel and residential buildings are  
19 consistent with the land use objectives of the commercial uses that are allowed within  
20 Subdistrict 7B and use district of the Redevelopment Project Area in that the architectural  
21 elevations vary in height between 59 and 61 feet with alternating pitch and flat roofs. In  
22 addition, the development footprint totals only 30 percent of the total square footage of the  
23 subject site.

24 2. The buildings alternating height and footprint are consistent with Section 1230 (N)  
25 (2) (c) of the Zoning Ordinance, General Plan and Redevelopment Plan, and will not affect  
26 neighborhood compatibility. The proposed building design and height will not be detrimental to  
27 the public health, safety or welfare of persons residing or working in or adjacent to the subject site.  
28 The conditional use is subject to and must comply with specific local conditions and additional  
regulations as deemed necessary.

1           3.       The proposed development complies with the provisions of the Zoning  
2 Ordinance including any specific condition required for the proposed use in the district in which  
3 it is located.

4 **Conditional Use Permit for the 20 per cent Reduction of Commercial Parking Spaces:**

5           1.       That the proposed location of the use is in accord with the objectives of this  
6 ordinance and the purposes of the district in which the site is located. The location of the mixed  
7 use development for the reduction in parking is consistent with the allowable uses within this  
8 land use district (Subdistrict 7B) of the Redevelopment Plan.

9           2.       That the proposed location of the conditional use and the proposed conditions  
10 under which it would be operated or maintained will be consistent with the General Plan; will  
11 not be detrimental to the public health, safety or welfare of persons residing or working in or  
12 adjacent to the neighborhood of such use; and will not be detrimental to properties or  
13 improvements in the vicinity or to the general welfare of the city. The proposed 20 percent  
14 reduction in parking is in accordance with the Parking Demand Analysis prepared by Linscott  
15 Law & Greenspan (August 14, 2008), stated that the project's land use combination provides an  
16 opportunity for users to share available parking spaces. It is anticipated that approximately 50  
17 per cent of the restaurant patronage will be hotel guests. These factors would contribute to a  
18 significant reduction in the project's parking demands and requirements. The proposed project  
19 would require a total of 213 parking spaces per Section 3103 of the Oceanside Zoning  
20 Ordinance, without shared parking. With shared parking, a total of 170 parking spaces are  
21 required. The reduction of parking spaces to 170 spaces will not be detrimental to the public  
22 health, safety or welfare of the surrounding neighborhood.

23           3.       That the proposed conditional use will comply with the provisions of this  
24 Ordinance, including any specific condition required for the proposed conditional use in the district  
25 in which it would be located. The proposed project will comply with all conditions of this  
26 resolution and any specific conditions established the Downtown "D" District Zoning  
27 Ordinance.

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1           4.       The project proposes a deficit of forty-two (42) parking spaces than the required  
2 parking space ratio as established in Section 3103 of the Oceanside Zoning Ordinance. In  
3 accordance with the Parking Demand Analysis prepared by Linscott Law & Greenspan (August  
4 14, 2008), stated that the project's land use combination provides an opportunity for users to  
5 share available parking spaces. It is anticipated that approximately 50 per cent of the restaurant  
6 patronage will be hotel guests. These factors would contribute to a significant reduction in the  
7 project's parking demands and requirements. The proposed project would require a total of 213  
8 parking spaces per Section 3103 of the Oceanside Zoning Ordinance, without shared parking.  
9 With shared parking, a total of 170 parking spaces are required.

10           5.       The probable long term occupancy of the building, based on its design, will not  
11 generate additional parking demand. Future tenants (and or change of use) will be restricted to  
12 the land uses that are only allowed within Subdistrict 7B to ensure that there are an adequate  
13 amount of parking spaces at the parking space ratio established by Section 3103 of the  
14 Downtown "D" District Zoning Ordinance.

**For the Regular Coastal Permit:**

15           1.       The granting of the Regular Coastal Permit is consistent with the purposes of the  
16 California Coastal Act of 1976. The proposed project buildings are oriented to protect public  
17 views of the San Luis Rey River, Harbor and Pacific Ocean. The proposed buildings have been  
18 situated approximately 25-feet south of the existing buildings which will preserve the public  
19 view corridor of the San Luis Rey River area. The project creates a public observation area  
20 located on the northern portion of the subject site which provides a panoramic view of the San  
21 Luis Rey River area, Harbor and Pacific Ocean.

22           2.       The proposed project is consistent with the policies of the Local Coastal Program  
23 as implemented through the City Zoning Ordinance. The proposed uses are consistent with the  
24 Local Coastal Program designation for the subject site of "Coastal Dependent, Recreation and  
25 Visitors Serving Commercial" and will conform to the requirements of the Zoning Ordinance.  
26 The proposed project protects and increases the public coastal views through the public rights-  
27 of-way corridors by orienting the building 25-feet to the south from the location of the existing  
28 buildings and providing a public observation area. In addition, the proposed project will  
increase the availability of moderately priced hotels located within the coastal area.

1           3.       The proposed project will not obstruct any existing or planned public beach  
2 access; therefore, the project is in conformance with the policies of Chapter 3 of the Coastal  
3 Act. The proposed project provides a minimum 10-foot front yard setbacks and the orientation  
4 of the proposed buildings will not obstruct any existing or planned public beach access.

5           SECTION 1.   That Tentative Map (T-200-07), Development Plan (D-201-07),  
6 Conditional Use Permits (C-200-07 & C-204-07) and Regular Coastal Permit (RC-201-07) are  
7 hereby approved subject to all of the conditions set forth in Exhibit "B" attached hereto and  
8 incorporated herein by this reference.

9           SECTION 2.   The Final Environmental Impact Report has been reviewed and certified  
10 by the Community Development Commission through Resolution No. \_\_\_\_\_ prior to  
11 approval of the Tentative Map (T-200-07), Development Plan (D-201-07), Conditional Use  
12 Permits (C-200-07 & C-204-07) and Regular Coastal Permit (RC-202-07).

13           NOTICE is hereby given that the time within which judicial review must be sought on  
14 this decision is governed by Public Resource Code 2116 14, C.C.R. 15112 and Code of Civil  
15 Procedure Section 1094.6.

16           PASSED AND ADOPTED by the Oceanside Community Development Commission of  
17 the City of Oceanside this \_\_\_ day of \_\_\_\_\_ 2010 by the following vote:

18 AYES:

19 NAYS:

20 ABSENT:

21 ABSTAIN:

\_\_\_\_\_  
Chairman

22 ATTEST:

23 \_\_\_\_\_  
24 Secretary

25 APPROVED AS TO FORM:  
26 OFFICE OF THE CITY ATTORNEY

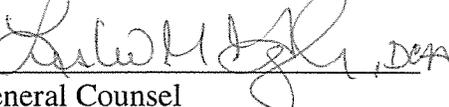
27 by    
28 General Counsel

EXHIBIT "A"

LEGAL DESCRIPTION

THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 22, TOWNSHIP 11 SOUTH, RANGE 5 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF OCEANSIDE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA



- 1           b)     The construction site shall be kept reasonably free of construction debris as  
2                   specified in Section 13.17 of the Oceanside City Code. Storage of debris in  
3                   approved solid waste containers shall be considered compliance with this  
4                   requirement. Small Amounts of construction debris may be stored on site in a neat,  
5                   safe manner for short periods of time pending disposal.
- 6     9.     Separate/unique addresses will/may be required to facilitate utility releases. Verification  
7           that the addresses have been properly assigned by the City's Planning Department must  
8           accompany the Building Permit application.
- 9     10.    A complete Soils Report, Structural Calculations, & Energy Calculations/documentation  
10           will be required at time of plans submittal to the Building Division for plan check.
- 11   11.    A private sewer system design must be submitted to the Building Department and approved  
12           prior to the construction of the sewer system. If a gravity flow system is not used, a  
13           mechanical system shall be submitted and approved by the Economic and Community  
14           Development, Engineering, Water and Building Department.
- 15   12.    A Building (Demo) Permit will be required for the demolition of any existing structures  
16           such as parking lot lighting etc. Plans for the Demolition Permit must clearly show that  
17           all utilities (electric, gas, water, & sewer) are properly terminated/capped in accordance  
18           with the requirements of the utility service provider. All/any underground septic or  
19           water storage tanks must be removed or filled in accordance with the Uniform Plumbing  
20           Code and/or the City's Grading Ordinance.
- 21   13.    Setbacks and Type of Construction, allowable area, and fire resistive construction must  
22           comply with CBC chapter 3,5,6,7 and Table 602, Table 704.8.
- 23   14.    Fire sprinklers are required for all apartment, condominium and hotel buildings (CBC  
24           903.2.7)
- 25   15.    Documentation of properly recorded easements (for access and utilities) is required for plan  
26           check review.
- 27   16.    As part of the plan check submittal for a Building Permit, developer shall submit a "plat"  
28           drawing showing the first floor elevations for each segment, the locations of the points  
          where the floor level is 6 feet above grade, and the lowest elevation within 5 feet from the  
          building for each segment.

- 1 17. Building levels below grade (on all sides) shall be provided with a mechanical drainage  
2 system that provides drainage to an approved location/receptor.
- 3 18. Plan submittal to the Building Division must include a Pedestrian Protection Plan  
4 complying with the requirements of CBC 3306 and Table 3306.1.
- 5 19. Tenant Improvements or other construction to the existing building requires permits  
6 (including all required Inspections and approvals, and Issuance of Certificate of  
7 Occupancy) from the Building Division.
- 8 20. Applicable Building Codes and Ordinances shall be based on the date of submittal for  
9 Building Department plan check. (Currently the 2007 California Building Code and 2007  
10 California Electrical Code).
- 11 21. Final plans including all as-built, redlines and revisions shall be submitted on a CD  
12 formatted with TIF or JPEG image File.

13 Engineering:

- 14 22. This project involves demolition of an existing structure; an erosion control and demolition  
15 plans shall be submitted and approved by the City Engineer before issuance of any  
16 demolition permit. No grading operation shall be allowed in conjunction with the  
17 demolition operation without an approved demolition plan. No demolition shall be  
18 permitted without an approved erosion control plan.
- 19 23. Vehicular access rights to North Coast Highway 101 shall be relinquished to the City from  
20 this development site except for the two proposed project driveway(s) as shown on the  
21 approved tentative map.
- 22 24. All right-of-way alignments, street vacation, exact geometrics and widths shall be  
23 dedicated, constructed or replaced as necessary construct per the City of Oceanside  
24 Engineers Design and Processing Manual, and as required by the City Engineer.
- 25 25. Design and construction of all improvements shall be in accordance with standard plans,  
26 specifications of the City of Oceanside and subject to approval by the City Engineer.
- 27 26. Prior to approval of the final map or any increment, all improvement requirements, within  
28 such increment or outside of it if required by the City Engineer, shall be covered by a  
subdivision agreement and secured with sufficient improvement securities or bonds

- 1           guaranteeing performance and payment for labor and materials, setting of monuments, and  
2           warranty against defective materials and workmanship.
- 3   27.       The tract shall be recorded as one. If the tract is developed in phases, a phasing plan for the  
4           construction of on-site public and private improvements shall be reviewed and approved by  
5           the City Engineer prior to the recordation of the final map. Prior to the issuance of any  
6           building permits all offsite improvements including landscaping, landscaped medians,  
7           frontage improvements shall be under construction to the satisfaction of the City Engineer.  
8           Prior to issuance of any certificates of occupancy the City Engineer shall require the  
9           dedication and construction of necessary utilities, on North Coast Highway 101 and other  
10          improvements outside the area of the final map, if such is needed for circulation, parking,  
11          access or for the welfare or safety of future occupants of the development.
- 12   28.       Where proposed off-site improvements, including but not limited to slopes, public utility  
13          facilities, and drainage facilities, are to be constructed, the owner/developer shall, at his  
14          own expense, obtain all necessary easements or other interests in real property and shall  
15          dedicate the same to the City of Oceanside as required. The owner/developer shall provide  
16          documentary proof satisfactory to the City of Oceanside that such easements or other  
17          interest in real property have been obtained prior to the approval of the final map, issuance  
18          of any grading or building permit whichever comes first. Additionally, the City of  
19          Oceanside, may at its sole discretion, require that the owner/developer obtain at his sole  
20          expense a title policy insuring the necessary title for the easement, street vacation or other  
21          interest in real property to have vested with the City of Oceanside or the owner/developer,  
22          as applicable.
- 23   29.       Pursuant to the State Map Act, improvements shall be required at the time of development.  
24          A covenant, reviewed and approved by the City Attorney, shall be recorded attesting to  
25          these improvement conditions and a certificate setting forth the recordation shall be placed  
26          on the map.
- 27   30.       Prior to the issuance of a grading permit, the owner/developer shall notify and host a  
28          neighborhood meeting with all of the area residents located within 300 feet of the project  
            site, to inform them of the grading and construction schedule, and to answer questions.

- 1 31. The owner/developer shall monitor, supervise and control all construction and  
2 construction-supportive activities, so as to prevent these activities from causing a public  
3 nuisance, including but not limited to, insuring strict adherence to the following:  
4  
5 a) Dirt, debris and other construction material shall not be deposited on any  
6 public street or within the City's storm water conveyance system.  
7  
8 b) All grading and related site preparation and construction activities shall be  
9 limited to the hours of 7 AM to 6 PM, Monday through Friday. No engineering  
10 related construction activities shall be conducted on Saturdays, Sundays or legal  
11 holidays unless written permission is granted by the City Engineer with specific  
12 limitations to the working hours and types of permitted operations. All on-site  
13 construction staging areas shall be as far as possible (minimum 100 feet) from  
14 any existing residential development. Because construction noise may still be  
15 intrusive in the evening or on holidays, the City of Oceanside Noise Ordinance  
16 also prohibits "any disturbing excessive or offensive noise which causes  
17 discomfort or annoyance to reasonable persons of normal sensitivity."  
18  
19 c) The construction site shall accommodate the parking of all motor vehicles used  
20 by persons working at or providing deliveries to the site. An alternate parking site  
21 can be considered by the City Engineer in the event that the lot size is too small and  
22 cannot accommodate parking of all motor vehicles.  
23  
24 d) The owner/developer shall complete a haul route permit application (if  
25 required for import/export of dirt) and submit to the City of Oceanside  
26 Engineering Department forty eight hours (48) in advance of beginning of work.  
27 Hauling operations (if required) shall be 8:00 A.M. to 3:30 P.M. unless approved  
28 otherwise.
32. It is the responsibility of the owner/developer to evaluate and determine that all soil  
imported as part of this development is free of hazardous and/or contaminated material  
as defined by the City and the County of San Diego Department of Environmental  
Health. Exported or imported soils shall be properly screened, tested, and documented  
regarding hazardous contamination.
33. A traffic control plan shall be prepared according to the City traffic control guidelines  
and approved to the satisfaction of the City Engineer prior to the start of work within the  
public right-of-way. Traffic control during construction of streets that have been opened

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to public traffic shall be in accordance with construction signing, marking and other protection as required by the Caltrans Traffic Manual and City Traffic Control Guidelines. Traffic control plans shall be in effect from 8:00 a.m. to 3:30 p.m. unless approved otherwise.

34. Approval of this development project is conditioned upon payment of all applicable impact fees and connection fees in the manner provided in chapter 32B of the Oceanside City Code. All traffic signal fees and contributions, highway thoroughfare fees, park fees, reimbursements, and other applicable charges, fees and deposits shall be paid prior to recordation of the map in accordance with City Ordinances and policies. The drainage fees may be deferred to prior to issuance of building permit. Drainage fees shall be paid prior to the recordation of final map for subdivisions of more than five parcels. The owner/developer shall also be required to join into, contribute, or participate in any improvement, lighting, or other special district affecting or affected by this project. Approval of the tentative map shall constitute the owner/developer's approval of such payments, and his agreement to pay for any other similar assessments or charges in effect when any increment is submitted for final map or building permit approval, and to join, contribute, and/or participate in such districts.

35. North Coast Highway shall have a minimum of 10-feet of parkway located between the face of curb and within the City's right-of-way. All sidewalk improvements shall comply with ADA requirements. The City maintained pedestrian ramps shall be located within the City's right-of-way.

36. Sight distance requirements from the two proposed private project driveways "A" and "B" along North Coast Highway shall conform to the corner sight distance criteria as provided by SDRSD, DS-20A. A 85<sup>th</sup> percentile speed survey shall be conducted for North Coast Highway to determine the prevailing speed condition and multiplied by 10 to obtain the required intersectional sight distance in accordance with the SDRSD, DS-20A. The horizontal and vertical line of sight shall be shown on the improvement plan as well as clear space easement. There shall be no sight obstruction within the sight distance clear space easement. No trees, no back flow preventer, no water service with back flow preventer, no fire service with double check detector check assembly, no retaining walls or

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any other objects that obstruct the line of sight shall be allowed within the sight distance clear space easement.

37. The engineer of record shall certify that physically there will be a minimum of (85<sup>th</sup> percentile speed survey times ten) 340-feet to the north and south of unobstructed sight distance in each directions of traffic from private driveways “A and “B” along North Coast Highway, per SDRSD, DS-20A.

38. The engineer of record shall provide a letter to certify that the sight distance of adjacent driveways and street openings within (85<sup>th</sup> percentile speed survey times ten) 340-feet beyond all existing road improvements on North Coast Highway will not be adversely affected by this project.

39. One streetlight shall be installed on the west side of North Coast Highway to be situated within the project frontage. Exact location of the street light will be determined at the review of final engineering plans. Streetlights at the project frontage shall be maintained and installed per the City Standards and approval. The system shall provide uniform lighting, and be secured prior to occupancy. The owner/developer shall pay all applicable fees, energy charges, and/or assessments associated with City-owned (LS-2 rate schedule) streetlights and shall also agree to the formulation of, or the annexation to, any appropriate street lighting district.

40. This project's driveways shall remain private and shall be maintained by an association. The pavement sections and traffic indices shall be based on an approved geotechnical report and in compliance with the City of Oceanside Engineering Design and Processing Manual.

41. Prior or concurrent with the recordation of the final map, the owner/developer shall reserve a reciprocal access for ingress and egress over and across the common driveways “A” and “B” for the purpose of providing pedestrian and vehicular access to and from North Coast Highway and for drainage and utility purposes, for the benefit of the future owners of lots one and two.

**“RESERVING HERON A RECIPROCAL ACCESS EASEMENT FOR INGRESS AND EGRESS AND FOR UTILITY PURPOSES FOR THE BENEFIT OF THE FUTURE OWNERS OF LOT ONE AND TWO.”**

1 42. Private driveways “A” and “B” used as access to the land being divided as well as the  
2 map being created, must include a private road /driveway maintenance agreement. The  
3 following note shall be placed on the final map reflecting the recording information:

4  
5 **“PRIVATE DRIVEWAY/ROAD (AND PRIVATE DRAINAGE AND UTILITY**  
6 **EASEMENTS) ARE TO BE MAINTAINED IN ACCORDANCE WITH THE**  
7 **PRIVATE DRIVEWAY/ROAD MAINTENANCE AGREEMENT RECORDED --**  
8 **----- AS DOCUMENT NUMBER -----”**

9 43. Prior or concurrent with the recordation of final map, the owner/developer shall grant an  
10 easement to the City of Oceanside for the observation deck located on the northern  
11 portion of the subject site. The owner/developer shall also enter into a maintenance  
12 agreement with the City of Oceanside, prior or concurrent with the recordation of final  
13 map for the maintenance of the observation deck. The maintenance of the observation  
14 deck shall be the responsibility of the owner/developer in perpetuity.

15 44. Prior to approval of the grading plans, the owner/developer shall contract with a  
16 geotechnical engineering firm to perform a field investigation of the existing pavement  
17 on all streets adjacent to the project boundary. The limits of the study shall be half-street  
18 plus twelve (12) feet along the project’s frontage. The field investigation shall include a  
19 minimum of one pavement boring per every one hundred (100) linear feet of street  
20 frontage. Should the existing AC thickness be determined to be less than the current  
21 minimum standard for AC and Class II Base as set forth in the table for City of  
22 Oceanside Pavement Design Guidelines in the City of Oceanside Engineers Manual, the  
23 Owner/developer shall remove and reconstruct the pavement section as determined by  
24 the pavement analysis submittal process detailed in the condition listed below.

25 45. Upon review of the pavement investigation, the City Engineer shall determine whether  
26 the Owner/developer shall: 1) Repair all failed pavement sections, header cut and grind  
27 per the direction of the City Engineer, and construct a two (2) inch thick rubberized AC  
28 overlay; or 2) Perform R-value testing and submit a study that determines if the existing  
pavement meets current City standards/traffic indices. Should the study conclude that  
the pavement does not meet current requirements, rehabilitation/mitigation

- 1 recommendations shall be provided in a pavement analysis report, and the  
2 owner/developer shall reconstruct the pavement per these recommendations, subject to  
3 approval by the City Engineer.
- 4 46. Pavement sections for the streets, driveways and parking areas shall be based upon  
5 approved soil tests and traffic indices. The pavement design is to be prepared by the  
6 owner/developer's soil engineer and must be approved by the City Engineer, prior to  
7 paving.
- 8 47. Any existing broken pavement, concrete curb, gutter or sidewalk or any damaged during  
9 construction of the project, shall be repaired or replaced as directed by the City Engineer.  
10 All sidewalk replacements/repairs shall be ADA compliant.
- 11 48. All existing overhead utility lines within this subdivision/development and within full  
12 width of North Coast Highway 101 or right-of-way abutting this subdivision/development,  
13 and all new extension services for the development of the project, including but not limited  
14 to, electrical, cable and telephone, shall be placed underground per Section 901.G. of the  
15 Subdivision Ordinance (R91-166) and as required by the City Engineer and current City  
16 policy.
- 17 49. The owner/developer shall comply with all the provisions of the City's cable television  
18 ordinances including those relating to notification as required by the City Engineer.
- 19 50. Grading and drainage facilities shall be designed and installed to adequately accommodate  
20 the local storm water runoff and shall be in accordance with the City's Engineers Manual  
21 and current San Diego Hydrology Manual as directed by the City Engineer.
- 22 51. The owner/developer shall obtain any necessary permits and clearances from all public  
23 agencies having jurisdiction over the project due to its type, size, or location, including but  
24 not limited to the U. S. Army Corps of Engineers, California Department of Fish & Game,  
25 U. S. Fish and Wildlife Service and/or San Diego Regional Water Quality Control Board  
(including NPDES), San Diego County Health Department, prior to the issuance of grading  
26 permits.
- 27 52. The approval of the tentative map shall not mean that proposed grading or improvements  
28 on adjacent properties (including any City properties/right-of-way or easements) is  
granted or guaranteed to the owner/developer. The owner/developer is responsible for

- 1 obtaining permission to grade to construct on adjacent properties. Should such  
2 permission be denied, the tentative map shall be subject to going back to the public hearing  
3 or subject to a substantial conformity review. Letter of permission for off-site grading is  
4 required prior to issuance of any grading permit.
- 5 53. Prior to any grading of any part of the tract or project, a comprehensive soils and geologic  
6 investigation shall be conducted of the soils, slopes, and formations in the project. All  
7 necessary measures shall be taken and implemented to assure slope stability, erosion  
8 control, and soil integrity. No grading shall occur until a detailed grading plan, to be  
9 prepared in accordance with the Grading Ordinance and Zoning Ordinance, is approved by  
10 the City Engineer.
- 11 54. After the demolition of the Flying Bridge Restaurant and Hotel the city will require an  
12 additional geotechnical investigation and analysis. This subsurface investigation will  
13 further evaluate the limits and location of potential debris and/or trash fills that may  
14 have been present beneath the structures that were demolished, both gross and surface  
15 stability of the offsite slopes will also have to be addressed.
- 16 55. This project shall provide year-round erosion control including measures for the site  
17 required for the phasing of grading. Prior to the issuance of grading permit, an erosion  
18 control plan, designed for all proposed stages of construction, shall be reviewed, secured by  
19 the owner/developer with cash securities and approved by the City Engineer.
- 20 56. A precise grading and improvement plan shall be prepared, reviewed, secured and  
21 approved prior to the issuance of any building permits. The plan shall reflect all pavement,  
22 flatwork, landscaped areas, special surfaces, curbs, gutters, medians, striping, and signage,  
23 footprints of all structures, walls, drainage devices and utility services. Parking lot striping  
24 and any on site traffic calming devices shall be shown on all precise grading and  
25 improvement plans.
- 26 57. Landscaping plans, including plans for the construction of walls, fences or other structures  
27 at or near intersections, must conform to intersection sight distance requirements.  
28 Landscape and irrigation plans for disturbed areas must be submitted to the City Engineer  
prior to the issuance of a grading permit and approved by the City Engineer prior to the  
issuance of occupancy permits. Frontage landscaping shall be installed prior to the

- 1 issuance of any certificates of occupancy. Any project fences, sound or privacy walls and  
2 monument entry walls/signs shall be shown on, bonded for and built from the landscape  
3 plans. These features shall also be shown on the precise grading plans for purposes of  
4 location only. Plantable, segmental walls shall be designed, reviewed and constructed by  
5 the grading plans and landscaped/irrigated through project landscape plans. All plans must  
6 be approved by the City Engineer and a pre-construction meeting held, prior to the start of  
7 any improvements.
- 8 58. Open space areas and down-sloped areas visible from a collector-level or above roadway  
9 and not readily maintained by the property owner, shall be maintained by a property  
10 management association or home owner association (HOA) that will insure installation and  
11 maintenance of landscaping, and the maintenance proposed project driveways A & B in  
12 perpetuity. These areas shall be indicated on the final map and reserved for an association.  
13 Future buyers shall be made aware of any estimated monthly costs. The disclosure,  
14 together with the CC&R's, shall be submitted to the City Engineer for review prior to the  
15 recordation of final map.
- 16 59. Prior or concurrent with the recordation of final map the owner/developer shall enter  
17 into a private driveway maintenance agreement for the benefit of the future owners of lot  
18 one and two. The responsibility of private driveways "A" and "B" maintenance  
19 agreement shall also be included in the CC&R's of the condominium project and shall  
20 be included in the grant deed title of the hotel project.
- 21 60. The drainage design on the tentative map is conceptual only. The final design shall be  
22 based upon a hydrologic/hydraulic study to be approved by the City Engineer during final  
23 engineering. All drainage picked up in an underground system shall remain underground  
24 until it is discharged into an approved channel, or as otherwise approved by the City  
25 Engineer. All public storm drains shall be shown on City standard plan and profile sheets.  
26 All storm drain easements shall be dedicated where required. The owner/developer shall be  
27 responsible for obtaining any off-site easements for storm drainage facilities.
- 28 61. Storm drain facilities shall be designed and located such that the inside travel lanes on  
streets with Collector or above design criteria shall be passable during conditions of a 100-  
year frequency storm.

- 1 62. Sediment, silt, grease, trash, debris, and/or pollutants shall be collected on-site and disposed  
2 of in accordance with all state and federal requirements, prior to stormwater discharge  
3 either off-site or into the City drainage system.
- 4 63. Unless an appropriate barrier is approved on a landscape plan, a minimum 42-inch high  
5 barrier, approved by the City Engineer, shall be provided at the top of all slopes whose  
6 height exceeds 20 feet or where the slope exceeds 4 feet and is adjacent to an arterial  
7 street or state highway.
- 8 64. The owner/developer shall comply with the provisions of National Pollution Discharge  
9 Elimination System (NPDES) General Permit for Storm Water Discharges Associated  
10 with Construction Activity (General Permit) Water Quality Order 2009-009-DWQ The  
11 General Permit continues in force and effect until a new General Permit is issued or the  
12 SWRCB rescinds this General Permit. Only those owner/developers authorized to  
13 discharge under the expiring General Permit are covered by the continued General  
14 Permit. Construction activity subject to the General Permit includes clearing, grading,  
15 and disturbances to the ground such as stockpiling, or excavation that results in land  
16 disturbances of equal to or greater than one acre. The owner/developer shall obtain  
17 coverage under the General Permit by submitting a Notice of Intent (NOI) and obtaining  
18 a Waste Discharge Identification Number (WDID#) from the State Water Resources  
19 Control Board (SWRCB). In addition, coverage under the General Permit shall not  
20 occur until an adequate SWPPP is developed for the project as outlined in Section A of  
21 the General Permit. The site specific SWPPP shall be maintained on the project site at  
22 all times. The SWPPP shall be provided, upon request, to the United States  
23 Environmental Protection Agency (USEPA), SWRCB, Regional Water Quality Control  
24 Board (RWQCB), City of Oceanside, and other applicable governing regulatory  
25 agencies. The SWPPP is considered a report that shall be available to the public by the  
26 RWQCB under section 308(b) of the Clean Water Act. The provisions of the General  
27 Permit and the site specific SWPPP shall be continuously implemented and enforced  
28 until the owner/developer obtains a Notice of Termination (NOT) for the SWRCB. The  
owner/developer is required to retain records of all monitoring information, copies of all  
reports required by this General Permit, and records of all data used to complete the NOI

- 1 for all construction activities to be covered by the General Permit for a period of at least  
2 three years from the date generated. This period may be extended by request of the  
3 SWRCB and/or RWQCB.
- 4 65. Following approval of the Storm Water Mitigation Plan (SWMP) by the City Engineer  
5 and prior to issuance of grading permits, the owner/developer shall submit and obtain  
6 approval of an Operation & Maintenance (O&M) Plan, prepared to the satisfaction of  
7 the City Engineer. The O&M Plan shall include an approved and executed Maintenance  
8 Mechanism pursuant to Section 5 of the Interim Standard Urban Storm Water Mitigation  
9 Plan (SUSMP). The O&M shall satisfy the minimum Maintenance Requirements  
10 pursuant to Section 5 of the SUSMP. At a minimum the O&M Plan shall include the  
11 designated responsible party to manage the storm water BMP(s), employee training  
12 program and duties, operating schedule, maintenance frequency, routine service  
13 schedule, specific maintenance activities, copies of resource agency permits, cost  
14 estimate for implementation of the O&M Plan, a non-refundable cash or irrevocable  
15 letter of credit as a security to provide maintenance funding in the event of  
16 noncompliance to the O&M Plan, and any other necessary elements. The  
17 owner/developer shall provide the City with access to site for the purpose of BMP  
18 inspection and maintenance by entering into an Access Rights Agreement with the City.  
19 The owner/developer shall complete and maintain O&M forms to document all  
20 operation, inspection, and maintenance activities. The owner/developer shall retain  
21 records for a minimum of 5 years. The records shall be made available to the City upon  
22 request.
- 23 66. The owner/developer shall enter into a City-Standard Stormwater Facilities Maintenance  
24 Agreement (SWFMA) with the City obliging the owner/developer to maintain, repair  
25 and replace the Storm Water Best Management Practices (BMPs) identified in the  
26 project's approved SWMP, as detailed in the O&M Plan into perpetuity. The  
27 Agreement shall be approved by the City Attorney prior to issuance of any precise  
28 grading permit and shall be recorded at the County Recorder's Office prior to issuance  
of any building permit. A non-refundable security in the form of cash (or certificate of  
deposit payable to the City) or an irrevocable, City-Standard Letter of Credit shall be

- 1 required prior to issuance of a precise grading permit. The amount of the non-  
2 refundable security shall be equal to 10 years of maintenance costs, as identified by the  
3 O&M Plan, but not to exceed a total of \$25,000. The owner/developer's Civil Engineer  
4 shall prepare the O&M cost estimate.
- 5 67. At a minimum, SWFMA maintenance agreements shall require the staff training,  
6 inspection and maintenance of all BMPs on an annual basis. The owner/developer shall  
7 complete and maintain O&M forms to document all maintenance activities. Parties  
8 responsible for the O&M plan shall retain records at the subject property for at least 5  
9 years. These documents shall be made available to the City for inspection upon request  
10 at any time.
- 11 68. The SWFMA Agreement shall include a copy of executed onsite and offsite access  
12 rights necessary for the operation and maintenance of BMPs that shall be binding on the  
13 land throughout the life of the project to the benefit of the party responsible for the  
14 O&M of BMPs, satisfactory to the City Engineer. The agreement shall also include a  
15 copy of the O&M Plan approved by the City Engineer.
- 16 69. The BMPs described in the project's approved SWMP shall not be altered in any way,  
17 unless reviewed and approved to the satisfaction of the City Engineer. The determination  
18 of whatever action is required for changes to a project's approved SWMP shall be made  
19 by the City Engineer.
- 20 70. The owner/developer shall provide a copy of the title/cover page of an approved SWMP  
21 with the first engineering submittal package. The SWMP shall be prepared by the  
22 owner/developer's Civil Engineer. All Stormwater documents shall be in compliance  
23 with the latest edition of submission requirements.
- 24 71. If the proposed grading encroaches the flood plain limits shown on the FIRM Map No.  
25 06073C0734G, dated January 19, 2001, along the project northern property line, the  
26 owner/developer shall provide evidence to the City of Oceanside that a Conditional  
27 Letter of Map Revision (CLOMR) has been applied for from Federal Emergency  
28 Management Agency (FEMA) for the proposed revisions to the flood hazard areas. At  
the conclusion of the grading activities the owner/developer shall submit an as-built

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grading plan to FEMA in order to process and receive a Letter of Map Revision (LOMR). Prior to release of the grading bonds owner/developer provide evidence of having received a Letter of Map Revision (LOMR) from FEMA.

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

73. The proposed improvement within the right of way of North Coast Highway 101 shall be approved to the satisfaction of the City Engineer prior to issuance of grading permit. The approval of the tentative map, regular coastal permit and development plans are expressively contingent on the approval of the encroachment removal agreement for the proposed improvements within public right-of-way on North Coast Highway 101. The City of Oceanside retains its complete discretion in acting on the approval of the Encroachment Removal Agreement (ERA). Should the Encroachment Removal Agreement be denied, the tentative map, regular coastal permit, and development plans shall no longer be effective.

74. Provide the City of Oceanside with a certification from each public utility and each public entity owning easements within the proposed project stating that: (a) they have received from the owner/developer a copy of the proposed map; (b) they object or do not object to the filing of the map without their signature; (c) in case of a street dedication affected by their existing easement, they will sign a "subordination certificate" or "joint-use certificate" on the map when required by the governing body. In addition, the owner/developer shall furnish proof to the satisfaction of the City Engineer that no new encumbrances have been created that would subordinate the City's interest over areas to be dedicated for public road purposes since submittal of the project.

- 1 75. Upon acceptance of any fee waiver or reduction by the owner/developer, the entire  
2 project will be subject to prevailing wage requirements as specified by Labor Code  
3 section 1720(b) (4). The owner/developer shall agree to execute a form acknowledging  
4 the prevailing wage requirements prior to the granting of any fee reductions or waivers.
- 5 76. In the event that the conceptual plan does not match the conditions of approval, the  
6 resolution of approval shall govern.

7 Fire:

- 8 77. Fire Department Requirements shall be placed on plans in the notes section.
- 9 78. A minimum fire flow of 3,000 gallons per minute shall be required.
- 10 79. The size of the fire hydrants shall be 2 ½ inches X 2 ½ inches X 4 inches.
- 11 80. In accordance with the California Fire Code Sec. 901.4.4, City approved addresses for  
12 commercial occupancies shall be placed on the structure in such a position as to be  
13 plainly visible and legible from the street or roadway fronting the property. Numbers  
14 shall be contrasting with their background. Commercial buildings require 6 inch address  
15 numbers.
- 16 81. Plans shall be submitted to the Fire Prevention Bureau for plan check review and  
17 approval prior to the issuance of building permits. A site plan indicating the fire access  
18 and hydrant locations must also be submitted on CD room.
- 19 82. Buildings shall meet Oceanside Fire Departments current codes at the time of building  
20 permit application.
- 21 83. The fire hydrants shall be installed and tested prior to placing any combustible materials  
22 on the job site.
- 23 84. Provide on-site hydrants and mains capable of supplying the required fire flow.
- 24 85. Detailed plans of underground fire service mains shall be submitted to the Oceanside  
25 Fire Department for approval prior to installation.
- 26 86. Blue hydrant identification markers shall be placed as per Oceanside's Engineers  
27 Design and Processing Manual Standard Drawing No. M-13.
- 28 87. Provide standpipes as required per C.B.C. Table 9A.
88. Buildings four or more stories in height shall be provided with not less than one  
standpipe during construction. The standpipe shall be installed before the progress of

- 1 construction is more than 35 feet above grade. Two and one-half inch valve hose  
2 connections shall be provided at approved accessible locations adjacent to useable stairs.
- 3 89. A "Knox" key storage box shall be provided for all new construction. For buildings,  
4 other than high-rise, a minimum of three complete sets of keys shall be provided. Keys  
5 shall be provided for all exterior entry doors, fire protection equipment control rooms,  
6 mechanical and electrical rooms, elevator controls and equipment spaces, etc. For high-  
7 rise buildings six complete sets are required.
- 8 90. Fire extinguishers are required and shall be included on the plans submitted for plan  
9 check.
- 10 91. An automatic fire extinguisher system complying with UL300 shall be provided to  
11 protect commercial-type cooking or heating equipment that produces grease-laden  
12 vapors. A separate plan submittal is required for the installation of the system and shall  
13 be in accordance with C.F.C. Article 10.
- 14 92. An approved fire sprinkler system must be installed throughout the building. The  
15 system shall be designed per N.F.P.A. 13, and U.B.C. Standard 9-1. The sprinkler  
16 system required 24-hour supervision.
- 17 93. Provide a class "K" type portable fire extinguisher within 30 feet of the kitchen  
18 appliances emitting grease-laden vapors (N.F.P.A. 17A and 96).
- 19 94. Provide a fire alarm system as required per C.F.C. Article 10 and N.F.P.A. 72
- 20 95. An 800 MHz Radio Signal Interference/ Bi-directional Amplifier (BDA) is required for  
21 the buildings. An 800MHz Radio Signal Interference/ Bi-directional Amplifier (BDA) is  
22 required for the buildings. All new commercial and R-1 buildings and existing buildings  
23 where a structural tenant improvement is being proposed must be tested for 800MHz  
24 radio transmission interference. The radio shall be submitted to the Fire Marshal prior  
25 to final inspection by the Fire Department. When tested, if 800mHZ signal strength  
26 readings (RSSI) fall below 65 in any portion of the building, either above or below grade  
27 as measured by an 800MHz portable radio, purchase and installation of one or more Bi-  
28 directional Amplifier radio coverage enhancer is required. The BDA/coverage enhancer  
shall be maintained as a condition of occupancy and tested annually.

- 1 96. The Fire Department connection shall not be affixed to the building. The Fire  
2 Department connection must be located at least 40 feet away from the building; within  
3 40 feet of a fire hydrant and on the address side of the building unless otherwise  
4 determined by the Fire Department. The hydrant shall be located on the same side of  
5 the street as the Fire Department connection.
- 6 97. The developer shall supply the Fire Department with updated map and hydrant locations  
7 in a digital format compatible with the Fire Department's mapping program upon  
8 approval of final improvement plans.
- 9 98. All weather access roads shall be installed and made serviceable prior to and maintained  
10 during the time of construction.
- 11 99. All streets less than 32 feet wide shall be posted "NO PARKING FIRE LANE" per  
12 Vehicle Code Section 22500.1 and in accordance with the Fire Department Standard  
13 Guidelines for Emergency Access.

13 Economic & Community Development:

- 14 100. This Tentative Map T-200-07, Development Plan D-201-07, Conditional Use Permits C-  
15 200-07 & 204-07 and Regular Coastal Permit RC-202-07 shall expire on August 18,  
16 2012, unless implemented as required by the Zoning Ordinance.
- 17 101. This Tentative Map, Development Plan, Conditional Use Permits and Regular Coastal  
18 Permit approves only the construction of 24 residential units, 7,000 square foot  
19 restaurant, and 127 unit hotel as shown on the plans and exhibits presented to the  
20 Community Development Commission for review and approval. No deviation from  
21 these approved plans and exhibits shall occur without Economic and Community  
22 Development Department approval. Minor deviations from the project approval may be  
23 approved through the Substantial Conformity Guidelines process; substantial deviations  
24 shall require a revision to the Tentative Map, Development Plan, and Conditional Use  
25 Permits and Regular Coastal Permit or a new Tentative Map, Development Plan,  
26 Conditional Use Permits and Regular Coastal Permit. Any such revision shall require a  
27 noticed, public hearing before the CDC.
- 28 102. The applicant, permittee or any successor-in-interest shall defend, indemnify and hold  
harmless the City of Oceanside, its agents, officers or employees from any claim, action

1 or proceeding against the City, its agents, officers, or employees to attack, set aside, void  
2 or annul an approval of the City, concerning Tentative Map T-200-07, Development  
3 Plan D-201-07, Conditional Use Permits C-200-07 & C-204-07 and Regular Coastal  
4 Permit RC-202-07. The City will promptly notify the applicant of any such claim,  
5 action or proceeding against the City and will cooperate fully in the defense. If the City  
6 fails to promptly notify the applicant of any such claim action or proceeding or fails to  
7 cooperate fully in the defense, the applicant shall not, thereafter, be responsible to  
8 defend, indemnify or hold harmless the City.

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

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

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

28 106. All commercial projects shall dispose of or recycle solid waste in a manner  
provided in City Ordinance 13.3.

- 1 107. A letter of clearance from the affected school district in which the property is located  
2 shall be provided as required by City policy at the time building permits are issued.
- 3 108. A covenant or other recordable document approved by the City Attorney shall be  
4 prepared by the applicant developer and recorded prior to the issuance of building  
5 permits. The covenant shall provide that the property is subject to this resolution, and  
6 shall generally list the conditions of approval.
- 7 109. Prior to the issuance of building permits, compliance with the applicable provisions of  
8 the City's anti-graffiti (Ordinance No. 93-19/Section 20.25 of the City Code) shall be  
9 reviewed and approved by the Economic and Community Development Department.  
10 These requirements, including the obligation to remove or cover with matching paint all  
11 graffiti within 24 hours, shall be noted on the Landscape Plan and shall be recorded in  
12 the form of a covenant affecting  
13 the subject property.
- 14 110. Prior to the transfer of ownership and/or operation of the site the owner shall provide a  
15 written copy of the applications, staff report and resolutions for the project to the new  
16 owner and or operator.
- 17 111. Failure to meet any conditions of approval for this development shall constitute a  
18 violation of the Tentative Map T-200-07, Development Plan D-201-07, Conditional Use  
19 Permits C-200-07 & C-204-07 and Regular Coastal Permit RC-202-07. Any action  
20 taken to revoke the Development Plan, Conditional Use Permits and Regular Coastal  
21 Permit shall comply with the then applicable provisions of the Oceanside Zoning  
22 Ordinance.
- 23 112. All applicable zoning standards and City ordinances and policies in effect at the time  
24 building permits are issued are required to be met by this project. The approval of this  
25 project constitutes the applicant's agreement with all statements in the Description and  
26 Justification, and other materials and information submitted with this application, unless  
27 specifically waived by an adopted condition of approval.
- 28 113. Elevations, siding materials, colors, roofing materials and floor plans shall be  
substantially the same as those approved by the Community Development Commission.  
These shall be shown on plans submitted to the Building Division and Economic and  
Community Development Department.

- 1 114. A trash enclosure for both the commercial and residential portion of the project shall be  
2 provided as required by Chapter 13 of the City Code and shall also include additional space  
3 for storage and collection of recyclable materials per City standards. Recycling is required  
4 by City Ordinance. The enclosure must be built in a flat, accessible location as determined  
5 by the City Engineer. All driveways and service access areas must be designed to sustain  
6 the weight of a 50,000-pound service vehicle. Trash enclosures, driveways and service  
7 access areas shall be shown on both the improvement and landscape plans submitted to the  
8 City Engineer. The specifications shall be reviewed and approved by the City Engineer.  
9 The City's waste disposal contractor is required to access private property to service the  
10 trash enclosures. A service agreement must be signed by the property owner and shall  
11 remain in effect for the life of the project. All trash enclosures shall be designed to provide  
12 user access without the use and opening of the service doors for the bins. Trash enclosures  
13 shall have design features such as materials and trim similar to that of the rest of the  
14 project. This design shall be shown on the landscape plans and shall be approved by the  
15 Economic and Community Development Director.
- 16 115. The project shall prepare a Management Plan. The Management Plan is subject to the  
17 review and approval of the Economic and Community Development Director and the  
18 Police Chief prior to the occupancy of the project, and shall be recorded as CC&R's against  
19 the property. The Management Plan shall cover the following:
- 20 a) Security - The Management Plan, at a minimum, shall address on-site management,  
21 hours-of-operation and measures for providing appropriate security for the project  
22 site.
  - 23 b) Maintenance - The Management Plan shall cover, but not be limited to anti-  
24 graffiti and site and exterior building, landscaping, parking lots, sidewalks,  
25 walkways and overall site maintenance measures and shall ensure that a high  
26 standard of maintenance at this site exists at all times. The maintenance portion of  
27 the management plan shall include a commitment for the sweeping and cleaning of  
28 parking lots, sidewalks and other concrete surfaces at sufficient intervals to  
maintain a "like new" appearance. Wastewater,  
sediment, trash or other pollutants shall be collected on site and properly disposed  
of and shall not be discharged off the property or into the City's storm drain system.

1 c) Any graffiti within the project shall be removed by management or its  
2 designated representative within 24 hours of occurrence. Any new paint  
3 used to cover graffiti shall match the existing color scheme.

4 116. The following unit type and floor plan mix for the residential condominium only, as  
5 approved by the Community Development Commission, shall be indicated on plans  
6 submitted to the Building Division and Economic and Community Development  
7 Department for building permit:

	Sq.Ft.	# Bedrms	# Baths	# Units	%
8 Plan 1	1,461	2	2.5	4	17
9 Plan 2	1,490	2	2	16	66
10 Plan 3	1,528	2	2	4	17

11 117. An association of homeowners (HOA) shall be formed and Covenants, Conditions and  
12 Restrictions (CC&R's) shall provide for the maintenance of all common open space, and  
13 commonly owned fences and walls and adjacent parkways. The maintenance shall  
14 include normal care and irrigation of landscaping, repair and replacement of plant  
15 material and irrigation systems as necessary; and general cleanup of the landscaped and  
16 open area, parking lots and walkways. The CC&R's shall be subject to the review and  
17 approval of the City Attorney prior to the approval of the final map. The CC&R's are  
18 required to be recorded prior to or concurrently with the final map. Any amendments to  
19 the CC&R's in which the association relinquishes responsibility for the maintenance of  
20 any common open space shall not be permitted without the specific approval of the City  
21 of Oceanside. Such a clause shall be a part of the CC&R's. The CC&R's shall also  
22 contain provisions for the following:

- 23 a) The subterranean garage parking shall be exclusive to the residential occupancy of  
24 the site and shall not be shared or used by any other occupancy.
- 25 b) Prohibition of parking or storage of recreational vehicles, trailers, or boats
- 26 c) Maintenance of all common areas, and on-site and frontage landscaping.
- 27 e) Trash collection either at street level or within a subterranean garage and the  
28 funding mechanism.
- f) Rental units shall not be rented less than 30-days.

- 1 118. No signage will be allowed on the glass portion of the proposed lighthouse tower and/or  
2 approximately 23 feet below the mid-section of the top of the roof.
- 3 119. Photograph documentation of all existing structure(s) shall be required. Photograph  
4 documentation shall be as follows:
- 5 a). Format (4 inches X 5 inches) to include black and white photographs of all  
6 exterior elevations as well as interior photographs producing archival quality negatives and  
7 contacts.
- 8 b). Color slide photograph documentation is also required with the number of  
9 photographs to be determined by the Oceanside Historic Preservation Advisory Committee  
10 (OHPAC).
- 11 c). All photograph documentation shall be under the direction of a designated  
12 member of OHPAC and to the satisfaction of the Economic and Redevelopment Director.
- 13 120. Due to the potential for unidentified cultural resources to be unearthed during  
14 redevelopment phases, an archaeological monitoring program shall be conducted during  
15 demolition and grading to ensure that site development would have no significant  
16 impacts to cultural resources within the development area. The program would consist  
17 of the following:
- 18 a). The of a pre-excavation agreement between the applicant, the appropriate  
19 Lusieno tribe(s) and the City of Oceanside.
- 20 b). The presence of a qualified archaeologist and a Native American monitor  
21 at the pre-construction meeting.
- 22 c). A Native American monitor and an archaeological monitor on-site during  
23 grading, trenching and other ground-disturbing activities.
- 24 d). The analysis of any cultural material found.
- 25 e). The preparation of a report detailing the methods and results of the  
26 monitoring program.
- 27 f). The curation or repatriation of the cultural material collected.
- 28

- 1 121. Prior to issuance of grading permits, the applicant shall confirm to the City of Oceanside  
2 that a qualified paleontologist has been retained to carry out the mitigation program.  
3 The paleontological shall attend pre-grade meetings to consult with grading and  
4 excavation contractors.
- 5 122. A paleontological monitor shall be onsite during grading operations to evaluate the  
6 presence of fossils within previously undisturbed sediments to inspect cuts for contained  
7 fossils (A paleontological monitor is defined as an individual who has experience in the  
8 collection and salvage of fossil materials.) The paleontological monitor shall work  
9 under the direction of a qualified paleontologist. Paleontological monitoring need not  
10 be continued in the underground parking garage if, in the opinion of a qualified  
11 paleontologist, the excavation extends below the terrace sediments and into the San  
12 Onofre Breccia.
- 13 123. When fossils are discovered, the paleontologist (or paleontological monitor) shall  
14 recover them. In most cases, this fossil salvage can be completed in a short period of  
15 time. Some fossil specimens (such as a complete whale skeleton) may require an  
16 extended salvage time. In these instances, the paleontologist (or paleontological  
17 monitor) shall be allowed to temporarily direct, diver, or halt grading. To allow  
18 recovery of small fossil remains such as isolated mammal teeth, it may be necessary in  
19 certain instances to set up a screen-washing operation on the site.
- 20 124. Prepared fossils along with copies of all pertinent field notes, photographs and maps  
21 shall be deposited (with the applicant's permission) in a scientific institution with  
22 paleontological collection such as the San Diego Natural History Museum. A final  
23 summary report shall be completed and distributed to the City and other interested  
24 agencies which outlines the results of the mitigation program. This report shall include  
25 discussions of the methods used, stratigraphy exposed, fossils collected and significance  
26 of recovered fossils.
- 27 125. If active nests of special status bird species or raptors are found during the  
28 preconstruction survey, all construction activity must remain at least 300 feet (500 feet  
minimum for raptors) away for nests. The project biologist, in consultation with the  
California Department of Fish and Game (CDFG) may reduce this distance for certain  
species.

- 1 126. This property is located in the vicinity of an airport, within what is known as an airport  
2 influence area. For that reason, the property may be subject to some of the annoyances  
3 or inconveniences associated with proximity to airport operations (for example: noise,  
4 vibration or odors). An Airport Overflight Notification shall be recorded for each of the  
5 residential units.
- 6 127. If avoiding construction within the 300/500-foot buffer zone is impractical to abide by  
7 for the duration of the nesting season, noise levels at the nest site may be evaluated. If  
8 construction noise can be maintained at 60 dBA or below (or if ambient noise levels are  
9 in excess of 60 dBA and construction does not increase measurable noise levels),  
10 construction may proceed without additional avoidance measures. If noise generated  
11 from construction activities will exceed this level, however, noise barriers will be  
12 installed to reduce construction noise levels to 60 dBA or less for the duration of the  
13 birds nesting period.

14 Water Utilities:

- 15 128. The developer will be responsible for developing all water and sewer utilities necessary to  
16 develop the property. Any relocation of water and/or sewer utilities is the responsibility of  
17 the developer and shall be done by an approved licensed contractor at the developer's  
18 expense.
- 19 129. The property owner shall maintain private water and wastewater utilities located on private  
20 property.
- 21 130. Water services and sewer laterals constructed in existing right-of-way locations are to be  
22 constructed by approved and licensed contractors at developer's expense.
- 23 131. All Water and Wastewater construction shall conform to the most recent edition of  
24 the Water, Sewer, and Reclaimed Water Design and Construction Manual or as approved  
25 by the Water Utilities Director.
- 26 132. All public water and/or sewer facilities not located within the public right-of-way shall be  
27 provided with easements sized according to the Water, Sewer, and Reclaimed Water  
28 Design and Construction Manual. Easements shall be constructed for all weather access.
133. No trees, structures or building overhang shall be located within any water or wastewater  
utility easement.

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- 134. All lots with a finish pad elevation located below the elevation of the next upstream manhole cover of the public sewer shall be protected from backflow of sewage by installing and maintaining an approved type backwater valve, per the Uniform Plumbing Code (U.P.C.).
- 135. The developer shall construct a public reclamation water system that will serve each lot and or parcels that are located in the proposed project in accordance with the City of Oceanside Ordinance No. 91-15. The proposed reclamation water system shall be located in the public right-of-way or in a public utility easement.
- 136. A sewer study must be prepared by the developer at the developer's expense and approved by the Water Utilities Department.
- 137. A separate irrigation meter and approved backflow prevention device is required and shall be displayed on the plans.
- 138. A Grease, Oil, and Sand Interceptor, described by the Uniform Plumbing Code, relating to garages and wash racks shall be installed in each building sewer in an appropriate location and shall be maintained by the property owner. The location shall be called out on the approved Improvement Plans.
- 139. If a restaurant or food service tenant occupies the property; a Grease, Oil, and Sand Interceptor shall be installed in each building sewer in an appropriate location and shall be maintained by the property owner. The location shall be called out on the approved Building Plans.
- 140. Subterranean parking structures shall be designed with a drainage system that conveys runoff to the City's Storm Drain System and shall comply with the California Regional Water Quality Control Board Order No. 2001-01.
- 141. Water and Wastewater Buy-in fees and the San Diego County Water Authority Fees are to be paid to the City and collected by the Water Utilities Department at the time of Building Permit issuance.
- 142. All new development of multi-family residential units shall include hot water pipe insulation and installation of a hot water recirculation device or design to provide hot water to the tap within 15 seconds in accordance with City of Oceanside Ordinance No. 02-OR126-1.

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Environmental:

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

**PRELIMINARY EVALUATION OF THE MARKET SUPPORT  
FOR A PROPOSED HYATT PLACE HOTEL  
IN OCEANSIDE, CALIFORNIA**

Prepared for:

Pacific Coast Inn LLC  
Oceanside, California

February 2010

**KALLENBERGER JONES & CO.**

**KALLENBERGER JONES & CO.**

February 28, 2010

Mr. Shantu Patel  
Pacific Coast Inn LLC  
1103 N. Pacific Coast Highway  
Oceanside, CA 92054

Dear Mr. Patel:

The accompanying report presents our preliminary evaluation of the potential market support for your proposed 127-room Hyatt Place hotel in Oceanside, California. Included herein are analyses of the site, the hotel market in the region, and the market position of the proposed hotel. These analyses provide the support for preliminary estimates of its potential occupancy and average daily room rate.

The findings and conclusions contained in this report are based on interviews with hotel executives and others with knowledge of the hotel market in the region. Information from a variety of other sources was also gathered. We do not make any assurance as to the accuracy of such information nor do we make any warranties that the estimated occupancies and average room rates will be realized. Further, we have no obligation to update our work for changes in market conditions which occur subsequently.

This report is for your use in evaluating the market potential of the proposed hotel. Neither this report nor our name may be used in connection with any financing plan classified as a public offering under any securities rules or statutes. Other terms and restrictions set forth in our engagement letter are applicable to our consulting services and reports thereon.

We have enjoyed working with you and we would be pleased to assist you in the interpretation and application of our findings.

Yours very truly,

*/s/ Mark Kallenberger*

Mark Kallenberger, ISHC

# PRELIMINARY EVALUATION OF THE MARKET SUPPORT FOR A PROPOSED HYATT PLACE HOTEL IN OCEANSIDE, CALIFORNIA

## *Executive Summary*

**Background.** Pacific Coast Inn LLC intends to develop a 127-room Hyatt Place hotel on the site of the existing Guesthouse Inn in Oceanside, California. As part of the development process, Pacific Coast Inn LLC engaged Kallenberger Jones & Co. to prepare a study of the potential market demand for the proposed hotel.

**Summary of Findings.** Once the current recession abates, the outlook for the proposed Hyatt Place Hotel should be favorable. Based on the research and analysis contained herein, the proposed hotel should achieve an occupancy of 70 to 75 percent when its operations stabilize in 2016 and an average room rate of \$140 to \$150 in a representative year (as defined herein).

## *The Scope of the Assignment*

The scope of the assignment included the following key tasks:

**Site Analysis.** An evaluation of the proposed site in terms of access, visibility, ambience, relationship to demand generators, and other relevant factors to determine how the location is likely to affect the market appeal of the proposed hotel.

**Market Area Review.** An analysis of the relevant general economic and tourism conditions in the region as they relate to hotel demand at the proposed site.

**Competitive Supply.** An assessment of the hotels that are likely to be competition for the proposed hotel.

**Market Demand.** An analysis and forecast of the demand for hotel rooms in the defined competitive market by market segments.

**Market Penetration Analysis.** An assessment of the prospective market position of the proposed hotel, including an evaluation of its relative market appeal that would incorporate assumed strategies of franchise affiliation, quality of development, room rates, services and amenities.

**Estimated Occupancy and Average Daily Room Rate.** A forecast by market segment of the occupancy and average daily rate attainable by the proposed Hyatt Place hotel in its first five years of operation.

**Estimated Economic Impact.** Estimates of the transient occupancy tax and employment generated by the proposed project.

## ***Site Evaluation***

The existing Guesthouse Inn is located on the western side of Coast Highway, which runs near and parallel to Interstate 5 (I-5) in the neighborhood of the hotel. The site, which is identified in the map on the following page, is approximately one-half mile from the Pacific Ocean. It enjoys the following favorable attributes:

- Excellent whitewater and coastal horizon views since it rests on a bluff overlooking the Pacific Ocean, San Luis Rey River, and Oceanside Harbor.
- Convenient access to nearby sandy beaches.
- Very good visibility from I-5.
- Good access from I-5, the main tourism route between Los Angeles and San Diego.

At present, the character of the neighborhood surrounding the hotel site is adversely affected by many older land uses, including aged motels, restaurants, and retail outlets. However, several recent redevelopments, including a timeshare complex and a Holiday Inn hotel, are improving the image of the neighborhood.

## ***The Local Economy***

The City of Oceanside is located at the northwestern corner of San Diego County, where it abuts Camp Pendleton Marine Corps Base, a major force in the local economy. Also, tourists and other visitors are attracted to the beaches and coastal activities that line the western portion of the city. A third pillar of the local economy is the industrial zone in the eastern portion of the city.

**Camp Pendleton.** This extensive military base, which extends over 125,000 acres, is the preeminent West Coast Marine Corps training facility. It accommodates 42,000 active-duty military personnel and 26,000 reservists each year, most of whom participate in training exercises and then deploy elsewhere. Also, it attracts a variety of civilian visitors, including private contractors, government employees, and families and friends of military personnel. Congress authorized an increase in troop levels in 2005, and 4,000 Marines were added to Camp Pendleton from 2005 through 2009. No further material increases are authorized or likely to occur within the next several years.

A major \$4 billion overhaul of the facilities of Camp Pendleton commenced in 2008 and is due to be completed by 2013. This project involves mostly replacing buildings and other facilities that were built in the 1940s and 1950s, although some new barracks, family residences, and other facilities are included. Approximately 5,000 civilian employees will be involved in the various stages of this four-to-five year project. Local hoteliers report that the construction projects at Camp Pendleton and the military activity in the Middle East have generated some hotel occupancy in Oceanside. However, this boost should abate once the construction projects are completed in 2013.

**Coastal Development.** Oceanside attracts beach users and other tourists to its attractive sandy coastline and adjacent retail outlets. As a result, new tourist-oriented developments and landscape improvements have occurred and are planned in a municipal coastal redevelopment zone and in other parts of Oceanside. The most significant existing project in the redevelopment zone is the 160-room Wyndham Oceanside Pier Resort, a timeshare facility that opened in February 2008. This beachside project was the first new large-scale coastal development in Oceanside for many decades. Also, the new 110-room Holiday Inn opened on a site near Oceanside Harbor. Another hotel, the 289-room S.D. Malkin Resort Hotel, is planned but is proceeding slowly due largely to the current shortage of hotel financing.

**Industrial Activity.** Oceanside has a very small office market of only 838,009 square feet, according to Grubb & Ellis. However, its very substantial base of industrial development includes more than 8.5 million square feet of space, much of which has been built in the last several years in the 11 business parks in eastern Oceanside. Like most of Southern California, the local industrial market has suffered in the current recession, as the negative absorption in Oceanside for the first three quarters of 2009 was 208,627 square feet, according to Grubb & Ellis. The industrial vacancy rate in Oceanside was 15.9 percent at the end of the third quarter of 2009, which was higher than the county-wide average of 12.0 percent, according to Grubb & Ellis. The higher vacancy rate of Oceanside is due largely to its high proportion of newly-built industrial space. The Economic and Community Development Department of Oceanside reports that 22 office and industrial projects are pending in the city, including buildings in the 400-acre Ocean Ranch Corporate Centre and the 124-acre AMB Pacific Coast Business Park. At present, approximately 300 acres of vacant land in the city are zoned for office and industrial development. The operations of Genentech, the largest private employer in the city, were retained after the firm's recent acquisition by the Swiss drug company, Roche. Genentech has 500 employees in its 500,000 square foot plant.

While the outlook for industrial development in Oceanside is largely dependent on the national and regional economies, the local industrial market enjoys several competitive advantages that should aid its recovery. First, much of the vacant industrial space is new, and thus would be more attractive to many prospective tenants. Second, Oceanside and Otay Mesa are the two primary developed areas of San Diego County that have large vacant parcels designated for industrial development.

**Conclusion.** The recent recession has adversely affected the local private sector, but activity at Camp Pendleton has softened the downturn in the local economy, and it should continue to provide some support until 2013, when the current construction projects on the base are to be completed. Once the national and regional economies rebound, the local industrial sector and beach tourism should provide the main impetus to an improving local economy. Most economists forecast a slow recovery that commences in the latter half of 2010, and this outlook also seems likely for the private sector in Oceanside. However, the local economy is small and therefore fragile; major cutbacks at Camp Pendleton or any of the large employers in the city are likely to have significant effects.

## ***The Hotel Market***

**Competitive Supply.** There are 23 hotels in Oceanside that altogether have 1,555 guest rooms, but most of these are economy and budget motels. At present, there are only three upscale hotels in Oceanside: the Residence Inn by Marriott, the Oceanside Marina Suites, and the new Holiday Inn. One of the better midscale hotels, the Comfort Suites would also be somewhat competitive with the proposed Hyatt Place hotel. Some visitors to Oceanside stay in hotels in Carlsbad, where a wider variety of upscale hotels is available. As a result, four upscale hotels in Carlsbad (Hilton Garden Inn, Holiday Inn, Courtyard by Marriott, and Residence Inn) would be secondary competitors of the proposed Hyatt Place hotel.

Short-term lodging for military personnel is available at Camp Pendleton at several facilities, including the 69-room South Mesa Lodge, the 88-room Ward Lodge, and beach cottages. Ward Lodge is of an economy standard, and its room rates are between \$65 and \$80. The South Mesa Lodge, which opened in 2009, is an upscale property with room rates of \$92 for a standard room and \$147 for a suite. Because these military facilities cater only to military personnel, they would not be directly competitive with the proposed Hyatt Place hotel. When military housing is not available at Camp Pendleton, Marines and other base visitors are sent to local hotels and other lodgings. However, the number of displaced base visitors should decline in step with the ongoing development of new base housing.

The identified set of competitive hotels is presented in the table below.

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### **MAJOR COMPETITORS**

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<u>Hotel</u>	<u>Year Opened</u>	<u>Rooms</u>	<u>AAA Rating (diamonds)</u>
<i>Primary competitors:</i>			
Holiday Inn Oceanside	Nov 2009	110	not yet rated
Residence Inn Oceanside	Sept 2007	125	not rated
Comfort Suites Oceanside	2000	71	3 - motel
Marina Suites Oceanside	2000	58	3 - motel
<i>Secondary competitors:</i>			
Hilton Garden Inn Carlsbad	2000	161	3 - small scale hotel
Holiday Inn Carlsbad	1983	149	3 - small scale hotel
Courtyard Carlsbad	2000	145	3 - small scale hotel
Residence Inn Carlsbad	1999	<u>121</u>	not rated
Total rooms		940	

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While several hotel projects are proposed in Oceanside, none are likely to be developed soon due to the current recession and the poor market for hotel financing. One prominent hotel project is to be located near the Oceanside Pier, within a short distance of an attractive sandy beach. This hotel, if developed, should command room rates much higher than the proposed Hyatt Place.

Two large hotel projects are proposed in Carlsbad: a 254-room, Legoland-affiliated hotel and a 215-room Hilton in the southern Ponto beachfront region. The development of both hotels has been postponed due to the current poor economy, the shortage of hotel financing, their high development cost, and other reasons. In the City of Vista, a 93-room Towne Place Suites is due to open in mid-2010, and a Hyatt Place hotel is proposed. In San Marcos, a 125-room Residence Inn is due to open in August 2010. If developed, none of these hotels should offer significant competition to the proposed Hyatt Place due to their significant distance from Oceanside and differences in their market orientations and room rates.

**Demand patterns.** The recent estimated performance of the previously identified competitive set of eight hotels in Oceanside and Carlsbad is summarized in the following table.

**HOTEL MARKET TRENDS: COMPETITIVE SET**

<u>Year</u>	<u>Estimated Occupancy</u>	<u>Est. Avg. Room Rate</u>	<u>Revenue/Available Room</u>
2008	75%	\$147	\$110
2009	67%	\$134	\$90
Change	(11%)	(9%)	(18%)

Source: Kallenberger Jones & Co.

As indicated in the previous table, the hotel market experienced high occupancies and room rates in 2008, but then weakened in 2009, as the estimated occupancy declined 11 percent, the estimated average room rate (ADR) fell 9 percent, and the revenue per available room (RevPAR) decreased 18 percent. Still, the results in 2009 are much superior to most hotel sub-markets in Southern California.

As is typical in most California coastal areas, the competitive hotels realize seasonal swings in occupancy and average room rate. In general, occupancies and room rates are highest in the summer and on weekends, when most leisure travel occurs. The slowest months are December and January.

**Market Segmentation.** The occupancies and average room rates of a hotel are affected by its market segmentation, which, in turn, is influenced by its location. Customers of the competitive hotels have been segregated into three major classifications: commercial, military, and leisure travelers. The market mix of each hotel was estimated based on interviews of hotel personnel and other sources. The average market segmentation of the competitive hotels in 2009 is set forth in the table on the following page.

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**MARKET SEGMENTATION: 2009**

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<u>Market Segment</u>	<u>Oceanside Hotels</u>	<u>Carlsbad Hotels</u>	<u>Overall</u>
Commercial	49%	64%	59%
Military	27%	1%	9%
Leisure	<u>24%</u>	<u>35%</u>	<u>32%</u>
Total	100%	100%	100%

Source: Kallenberger Jones & Co.

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As indicated in this table, the hotels in Oceanside cater to a higher proportion of military guests than the hotels in Carlsbad. Military guests that use local hotels include visiting and transferring military personnel and their friends and relatives. The occupancies of hotels in Oceanside sometimes peak when large deployments occur. Most of the leisure guests of hotels in Oceanside visit the nearby beaches and marinas. Smaller numbers of hotel customers are friends and relatives of local residents, sports teams, and visitors attending special social and other events.

The commercial market segment includes businesspersons visiting North San Diego County and construction workers. Most commercial travelers that stay in Oceanside hotels visit the industrial facilities in eastern Oceanside, although some visit businesses in Vista and military offices at Camp Pendleton. Since there is a greater concentration of office and industrial activity in Carlsbad than Oceanside, the proportion of commercial visitors at Carlsbad hotels is higher.

**Demand Trends and Outlook.** The current recession has adversely affected both commercial and leisure travel to Oceanside. The weak economy has encouraged companies to reduce commercial travel and use technology alternatives such as teleconferencing. Similarly, leisure travelers appear to be shifting to less expensive hotels, reduced spending, shorter stays, and destinations that can be accessed by automobile rather than plane. However, most of these trends should revert to historical patterns once the economy recovers. The U.S. Travel Association reported that domestic business travel declined 6.2 percent in 2009, but is forecast to increase 2.5 percent in 2010 and 3.7 percent in 2011. Leisure travel fell 2.0 percent in 2009, but is forecast to increase 1.9 percent in 2010 and 2.7 percent in 2011. Similarly, the demand for hotel rooms in Oceanside should increase in step with the improving economy. At the same time, the opening of a new hotel at Camp Pendleton and several hotels in Vista should erode a small portion of the demand that would otherwise accrue to Oceanside.

**Reconciliation of Supply and Demand.** A quantitative analysis of the supply of and demand for hotel rooms in the competitive set of hotels was prepared in the course of this study. Based on this analysis, the aggregate occupancy of the eight competitive hotels (“the market occupancy”) is forecast to decline from an estimated 67 percent in 2009 to 65 percent in 2010 due largely to the opening of the Holiday Inn in November 2009 and continued weaknesses in the economy. The market occupancy is projected to increase from 2011 to 2013 but decline in 2014 when the proposed Hyatt Place is due to open. Thereafter, it is forecast to stabilize at 67 percent.

This analysis incorporates periodic reductions in unsatisfied demand as new hotels open and accommodate hotel customers in peak periods. In addition, the proposed hotels should generate induced demand, which is defined as the room nights drawn into a defined sub-market as a result of the opening of a new hotel with special facilities and significant marketing appeal.

There are only a few upscale hotels located in Oceanside; therefore, the local market is very sensitive to the entry of new hotels. Should more upscale hotels rooms be built or should they open sooner than is assumed in this analysis, it is likely that the market would be adversely affected, and the effects could be material.

### ***Market Penetration Analysis***

The forecasts of the occupancy, average room rate, and other measures of the market performance of the proposed Hyatt Place contained herein are based on a market penetration analysis. In this analysis technique, a hotel is evaluated compared to its competition (the defined competitive set), and its potential market share is calculated on the basis of its relative appeal. A hotel's "fair share" of market demand is equal to its share of supply, i.e., a 100-room hotel in a market of 1,000 rooms would have a fair share equal to ten percent. A market penetration of 100 percent indicates a property is capturing its fair share and a market penetration in excess of 100 percent indicates a hotel is performing better than the weighted average of the competition.

**The Market Position of the Hyatt Place.** The proposed Hyatt Place hotel would enjoy competitive advantages that include its excellent coastal views, its proximity to Camp Pendleton, its new and contemporary facilities, its superior visibility, and its convenient access from I-5. Its competitive drawbacks include its location farther from major concentrations of office and industrial activities than competitors and the shortage of new complementary land uses in the neighborhood.

**Potential Market Penetration by Segment.** A quantitative analysis that is based on the estimated market penetration of the proposed hotel in each market segment was prepared. This analysis yields forecasts of the occupancy of the proposed Hyatt Place. These estimates assume that the hotel would open on January 1, 2014, that it would be operated competently, and that an aggressive pre-opening marketing and training program would be implemented. The results of this analysis, specifically the Market Occupancy, the overall penetration rate of the proposed Hyatt Place Hotel, and its estimated occupancy, are summarized in the table on the following page.

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**ESTIMATED OCCUPANCY**

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<u>Year</u>	<u>Market Occupancy</u>	<u>Penetration Rate</u>	<u>Hyatt Place Occupancy</u>
2014	66%	88%	59%
2015	67%	101%	67%
2016	67%	108%	72%
2017	67%	107%	72%
2018	67%	107%	72%

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As indicated in this table, the proposed hotel is forecast to realize an occupancy of 72 percent once its operations stabilize in 2016. As with most new hotels, the occupancy was projected to “ramp up” in the first years of operation due mainly to the start-up problems associated with an uncertain opening date, construction re-work, and the marketing required to establish a market presence. These occupancy forecasts are subject to considerable potential variations due largely to the long (four-year) period until the hotel is scheduled to open. Clearly, there are many unforeseen variables that could alter any forecasts made now, which suggests that the occupancy forecasts should be expressed in ranges. In conclusion, the estimated average occupancy of the proposed Hyatt Place hotel once operations stabilize is estimated to be 70 to 75 percent.

***Estimated Average Daily Room Rates***

The average daily room rate (ADR) of the proposed Hyatt Place in a representative year was estimated using two methods: (1-) by market segment and type of guest room and (2-) by comparison to competitive hotels. The market segment analysis yields an overall ADR of approximately \$145 in a representative year (expressed in current dollars in a stabilized year). This estimated ADR is approximately \$10 higher than the average of the competitive hotels in 2009. The newness, superior facilities, and other competitive advantages of the proposed Hyatt Place provide support for this premium. Like the occupancy forecasts, the average room rate projections are expressed in ranges to account for the uncertainty inherent in long-term forecasts. In conclusion, the estimated average daily room rate of the proposed Hyatt Place hotel is estimated to be \$140 to \$150 in a representative year.

### ***Transient Occupancy Taxes - Hotel***

The transient occupancy taxes (TOT) that could accrue from the operation of the proposed Hyatt Place hotel in a representative year and upon stabilization of operations in 2016, expressed in ranges, are set forth in the following table.

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<b>POTENTIAL TRANSIENT OCCUPANCY TAXES : HYATT PLACE HOTEL</b>		
	<u>Pessimistic</u>	<u>Optimistic</u>
Estimated Occupancy	70%	75%
Estimated average room rate	\$140	\$150
Room revenues	\$4.5 million	\$5.2 million
TOT rate	10%	10%
TOT - representative year (in 2010 dollars)	\$450,000	\$520,000
TOT - upon stabilization (2016)*	\$537,000	\$621,000

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\* assumes an inflation rate of 3% per annum

### ***Employment Generated by Project***

The proposed 127-room hotel and 24-unit condominium project should generate approximately 170 construction jobs. This estimate was based on the estimated construction cost of the project, its estimated labor content, an assumed construction period of 12 months, and construction earnings data from the United States Bureau of Labor Statistics.

A typical Hyatt Place hotel of a size similar to that proposed in Oceanside requires 27 to 30 full-time employees. An additional 3 to 5 full-time equivalent employees will be required to maintain the condominium and administer its rental program. In summary, this project should generate permanent employment for as many as 35 full-time equivalent employees.



# OCEANSIDE COMMUNITY COALITION

Coalition Members:

April 22, 2010

Business and Community  
Political Action Committee  
(BACPAC)

City of Oceanside  
Attn: Kathy Baker  
300 North Coast Highway  
Oceanside, CA 92054

Citizens for the Preservation  
of Parks and Beaches  
(CPPB)

To Whom It May Concern:

Citizens of Oceanside  
Actively Shaping Tomorrow  
(COAST)

With representatives from broad-based community and neighborhood groups, the Oceanside Community Coalition was formed in August, 2005 to facilitate the development of projects in Oceanside's Redevelopment area. The group has been meeting regularly since that time. Representing thousands of Oceanside residents, this collaborative provides a place for open dialogue and to build consensus.

MainStreet Oceanside

At our March 22, 2010 meeting, the Oceanside Community Coalition reviewed the project proposed by Dr. Shantu Patel for the popular "Flying Bridge" property. The Coalition found this exciting project to be an insightful approach to this historically popular site. Hyatt Place offers an attractive, well-designed entry to the City's northern gateway. We are also pleased with the sensitive response to the site's environmental opportunities that has been incorporated into the project. And, while there is a private deck for hotel and restaurant patrons, the public deck will allow many of our residents and visitors alike to enjoy the fabulous view the site offers!

North Beach Villages

North Townside

The Oceanside Community Coalition urges support of the Hyatt Place project.

Oceanside Chamber of  
Commerce

Sincerely,

Oceanside Coastal  
Neighborhood Association

Business and Community  
Political Action Committee

Citizens of Oceanside  
Actively Shaping Tomorrow

MainStreet Oceanside

North Beach Villages

North Townside

Oceanside Chamber of Commerce

Oceanside Coastal Neighborhood Associations

928 North Coast Highway  
Oceanside, CA 92054

SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY

P.O. BOX 82776, SAN DIEGO, CA 92138-2776  
619.400.2400 WWW.SAN.ORG

June 14, 2010

Mr Shan Babick  
City of Oceanside  
Department of Economic & Community Development  
300 North Coast Highway  
Oceanside, California 92054-2885

Re: Airport Land Use Commission Determination  
Construction of Hotel, Residential Condominiums, and Restaurant  
1103-1105 North Coast Highway; APN 143-040-41

Dear Mr Babick:

As the Airport Land Use Commission (ALUC) for San Diego County, the San Diego County Regional Airport Authority acknowledges receipt of an application for a determination of consistency for the project described above. This project is located within the Airport Influence Area (AIA) for the Oceanside Municipal Airport – Airport Land Use Compatibility Plan (ALUCP).

ALUC staff review of the project description in the application and accompanying plans indicates that the project would construct a 127-unit hotel, 24 residential condominium units, and a restaurant. The project site is located within the overflight notification area, which requires that all residential owned units have recorded notice that the subject property is located within an AIA and is subject to the effects of aircraft operations. Additionally, the height of the proposed structures should be verified with the Federal Aviation Administration (FAA) to determine if they may pose any hazard to air navigation. However, the project site is located within Review Area 2 of the AIA, and, provided the recorded overflight notification is required as part of project clearances, a determination of consistency with the ALUCP by the ALUC is not required.

Because the project will not require ALUC review, your application and project plans are being returned to you. Please contact Ed Gowens at (619) 400-2244 or [egowens@san.org](mailto:egowens@san.org) should you have any questions.

Sincerely,



Sandi Sawa  
Manager, Land Use Planning

cc: Amy Gonzalez, SDCRAA, Director, Counsel Services



SAN DIEGO  
INTERNATIONAL  
AIRPORT



July 15, 2010

Mayor Jim Wood  
City Council Members  
Oceanside City Council  
300 N. Coast Highway  
Oceanside, California 92054

Dear Mayor Wood:

I am writing to you on behalf of the Board of Directors of MainStreet Oceanside. As you know, our organization represents many of the business owners and property owners in Downtown Oceanside.

On Monday, July 12, 2010, the Board had the opportunity to review the Hyatt Place project proposed for the property on North Coast Highway that is currently the site of the Guesthouse Inn and Suites.

After hearing the presentation by the applicant's representative, the Board voted unanimously to support the project. We feel that a project of the calibre will be an asset to Downtown Oceanside and a catalyst to development on North Coast Highway.

Thank you for your consideration.

A handwritten signature in black ink, appearing to read "Kirk Harrison", with a long horizontal flourish extending to the right.

Kirk Harrison  
Board Chair

cc: City Clerk

# OCEANSIDE HOTEL DATA

## Oceanside Coastal Hotels

		<u>Total Rooms June</u>	<u>Approved</u>	<u>Proposed</u>
		<u>2010</u>	<u>8/09</u>	<u>Hyatt Place</u>
<b><u>Affordable Hotels under \$108.35</u></b>				
1. Beachwood Motel	Coastal	28		
2. Coast Inn	Coastal	27		
3. Dolphin Hotel	Coastal	25		
4. Hilltop Motel	Coastal	13		
5. Motel 6 Coastal Highway	Coastal	106	17	
6. Ocean Breeze Inn	Coastal	11		
7. Ocean Inn & Suites	Coastal	21		
8. Pacific Inn	Coastal	59		
9. Days Inn at the Coast	Coastal	80		
10. Guest House Inn & Suites	Coastal	80		25 (-55)
11. Oceanside Travelodge	Coastal	28		
12. La Quinta	Coastal	38		
<b><u>TOTAL</u></b>		<b><u>516</u></b>	<b><u>533</u></b>	<b><u>478</u></b>
<b><u>Moderate Hotels between \$108.35-159.48</u></b>				
1. Wyndham	Coastal	32		
2. Holiday Inn	Coastal	110		
3. Guest House Inn & Suites	Coastal			51
<b><u>TOTAL</u></b>		<b><u>142</u></b>	<b><u>142</u></b>	<b><u>193</u></b>
<b><u>High Hotels over \$159.48</u></b>				
		<u>Total Rooms June</u>		
		<u>2010</u>		
1. Oceanside Marina Inn	Coastal	52	52	
2. Guest House Inn & Suites	Coastal			51
<b><u>TOTAL</u></b>			<b><u>52</u></b>	<b><u>103</u></b>
<b><u>Total Coastal Accommodations</u></b>			<b><u>727</u></b>	<b><u>774</u></b>