



# Memorandum Planning Division

August 10, 2015

To: Planning Commission  
From: Christopher Wright, Associate Planner *CW*  
Subject: Mixed Use 3.2 standards and issues  
Copies: Jim Pechous, City Planner

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## Introduction

This study session is regarding the Mixed Use 3.2 (MU3.2) portion of General Plan Amendment (GPA) 15-049 and Zoning Amendment (ZA) 14-456. The goal of this evening's discussion is to clarify what standards and guidelines the Planning Commission could support for the Mixed Use 3.2 area. This memorandum provides information for Commissioners to study the MU3.2 area and tour mixed use projects in preparation of the meeting. See Attachment 1 for the agenda.

## Background

At its July 8<sup>th</sup> meeting, the Planning Commission considered several General Plan and zoning amendments and took straw votes in support of changes that deal with areas other than the MU3.2 area. For the MU3.2 area, the Planning Commission requested this study session to get a firmer understanding of property conditions and policy intent, and to evaluate various options for development standards and guidelines. Since the Planning Commission was not ready to act on the entirety of GPA 15-049/ZA 14-456, the item was tabled to a date uncertain. Following this study session, staff will make revisions to draft amendments and schedule a public hearing for the Planning Commission to forward a recommendation to the City Council.

On February 3, 2015, the City Council initiated the General Plan amendments and zoning amendments to: 1) address cleanup and clarify items, 2) add and improve maps, 3) change land use designations and standards to resolve issues in seven city areas, including the MU3.2 zone; and 4) expedite zoning updates of commercial and mixed-use zones to minimize delays to development projects.

Attachment 2 is an overview of previous meetings and instructions to staff. Refer to Attachment 3 for the standards staff recommended at the July 8<sup>th</sup> meeting. Attachments 6 and 7 are regarding examples of mixed use projects to tour. Attachment 8 is a set of articles on mixed use projects and principles of successful projects. Attachment 9 is a model mixed use ordinance prepared by the American

Planning Association; the largest professional organization for city planning. Attachment 10 is the white paper and recommendations on height limits from the Architectural Guild of South Orange County. Attachment 11 is a letter from Commissioner Smith.

## **Discussion**

The study session is being formatted as a “hands on” Planning Commission workshop type discussion in which graphics, video, and analysis will be provided at the meeting. The study session discussion will be split into four parts:

### **1. *Set the stage***

There are 25 properties in the MU3.2 area within nine blocks. This part of the study session is a review and description of MU3.2 property conditions, the vision for the focus area, and look at a baseline lot that represents average property conditions.

Several attachments are provided, including an aerial photo, property statistics, a topography map, an analysis and photographs of key freeway ocean views, and elevation sections. Within the attachments, staff identifies blocks and properties with a letter and number, such as “A1” for Lot 1 of Block A.

### **2. *Objectives for standards and guidelines***

A review of objectives for setting development standards and design guidelines:

- Implementation of General Plan goals and polices
  - Incentivizing development to revitalize South El Camino Real
  - Minimizing impacts to freeway ocean views
  - Making development compatible with adjacent residential uses
- Finding balance between standards that are specific enough to ensure General Plan goals can be achieved, while being flexible enough to provide a sufficient range of solutions to design around unique constraints of each site in ways that minimizes impacts and development costs.

### **3. *What makes a mixed use project successful***

Observations from tours of mixed use projects (a list of examples is attached) and a discussion of economic principles for success, including:

- The correct ratio of commercial and residential uses
- The minimum depth of commercial suites

#### **4. *Formulating answers***

A review and evaluation of options for addressing issues, including:

- Height off El Camino Real
- Heights in middle of the lot
- Heights off alley
- Minimum commercial floor area
- Open area adjacent to streets/alley
- Residential storage
- Parking

#### **Attachments:**

1. Agenda for study session
2. Overview of previous meetings on GPA15-049/ZA 15-049
3. Current draft of proposed MU3.2 standards
4. General Plan information for MU3.2 area and City Council direction for GPA/ZA
5. General Plan Advisory Committee meeting minutes for MU3.2 area
6. Examples of mixed use projects
7. Mixed use standards for Carlsbad, Encinitas, and Oceanside (for several properties shown on Attachment 6)
8. Articles on mixed use
9. Model mixed use ordinance from American Planning Association
10. White paper and recommendations from the Architectural Guild of South Orange County
11. Comments from Commissioner Smith

#### **Under Separate Cover**

Aerial photo

Photographs of MU3.2 properties (S El Camino Real frontage)

Photographs of MU3.2 properties (alley frontage) and alley

Measurements of MU3.2 properties and baseline lot

Topography information

Elevation sections

Freeway ocean view analysis and photographs

# ATTACHMENT 1



## AGENDA FOR THE ADJOURNED REGULAR STUDY SESSION OF THE PLANNING COMMISSION FOR THE CITY OF SAN CLEMENTE, CALIFORNIA

**Monday, August 10, 2015, 5:00 p.m.**  
**Community Development Department, Conference Room A**  
**910 Calle Negocio, San Clemente, California 92673**

*Pursuant to the Americans with Disabilities Act, persons with a disability who require a disability-related modification or accommodation in order to participate in a meeting, including auxiliary aids or services, may request such a modification from the Community Development Department at (949)361-6100. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to the meeting. Written material distributed to the Planning Commission after the original agenda packet was distributed is available for public inspection in the Community Development Department, located at 910 Calle Negocio, San Clemente, CA during normal business hours.*

### **CALL TO ORDER**

### **ROLL CALL**

### **INTRODUCTION: MU3.2 Standards**

- 1) Set the Stage
  - a. Study Session Overview and Objective
  - b. General Plan Policy
    - i. Focus area description and policies.
    - ii. Freeway ocean view policy.
    - iii. Existing standards.
    - iv. City Council direction for General Plan Amendment.
  - c. Character of Commercial on El Camino Real frontage
  - d. Character of Commercial on Alley Frontage
  - e. Character of Alley and Adjacent Residential Area
  - f. Topography
  - g. Freeway Views
  
- 2) Objectives for setting standards and guidelines
  - a. Implementation of General Plan goals and polices
    - i. Incentivizing development to revitalize South El Camino Real
    - ii. Minimizing impacts to freeway ocean views
    - iii. Making development compatible with adjacent residential uses
  - b. Finding balance between standards that are specific enough to ensure General Plan goals can be achieved, while being flexible enough to provide a sufficient range of solutions to design around unique constraints of each site in ways that minimizes impacts and development costs.

## **DISCUSSION**

- 1) What makes mixed use successful
  - a. Observations from tours of mixed use projects
  - b. Observations from articles on mixed use
  
- 2) Development Standard Options
  - a. Height off El Camino Real
    - i. 30 ft PL 35 TOR height.
    - ii. 30 ft PL 35 TOR, with guideline to limit height to 28 ft PL 33 TOR when less height is needed for side-street garage and/or to avoid significant impacts to freeway ocean views.
    - iii. 28 ft PL 33 TOR height, with CUP to allow side-street garage with maximum height of 30 ft PL and 35 TOR.
    - iv. 28 ft PL 33 TOR height.
    - v. Other?
  - b. Heights in the Middle of the Lot
    - i. Average plus a guideline no height more than three stories above grade.
    - ii. Average plus requirement no height more than three stories above grade.
    - iii. Other?
  - c. Heights Off Alley
    - i. Existing 10 foot setback for third floor in design guidelines.
    - ii. Height above 33 feet shall be set back minimum of 15 feet with guideline for varied setbacks.
    - iii. Height above 33 feet shall be set back average of 25 feet without guideline.
    - iv. Other?
  - d. Commercial Percentages
    - i. % of project area.
    - ii. % of lot area.
    - iii. Other?
  - e. Previous Consensus Items
    - i. Open area adjacent to streets/alley
    - ii. Residential storage
    - iii. Parking

## **OTHER BUSINESS**

## **COMMISSION COMMENT**

## **ADJOURNMENT**

Adjourn to the Study Session to be held at 6:00 p.m. on August 19, 2015 in Council Chambers at City Hall located at 100 Avenida Presidio, San Clemente, CA.

# ATTACHMENT 2

## BACKGROUND

### **Previous Meetings and Hearings**

The following is a brief review of previous meetings and key instructions to staff.

**February 4, 2014.** The City Council adopted the Centennial General Plan [CGP].

**August 19, 2014.** As an implementing step, the City Council approved a contract with James B. Hare to prepare amendments to the City's Zoning Ordinance to bring the ordinance into conformance with the new CGP.

**December 17, 2014.** Staff and the consultant conducted a Study Session presentation on the update process, parameters and some early design concepts. Included in this presentation was a reformatting of the development criteria tables for the zones, which created a single discrete table of criteria for each zone. This is reflected in the various versions of the table of which the MU 3.2 zone is an example in this staff report.

**February 3, 2015.** On February 3, 2015, the City Council initiated the General Plan Amendment to address cleanup items, make clarifications, and change land use designations and standards to resolve issues in seven city areas. In addition, the City Council directed staff to expedite zoning updates of commercial and mixed-use zones to minimize delays to development projects.

**April 22, 2015.** The Planning Commission conducted a noticed public hearing on General Plan Amendment 15-049 and Zoning Amendments 14-456. Three quorums of the Planning Commission considered a series of proposed actions and provided 'straw vote' direction to staff. These votes and recommendations resolved the vast majority of the amendments, and gave direction on other issues. As a result, this meeting is a benchmark in this report. Prior to this hearing, staff met with the Architectural Guild of South Orange County, a local group of building professionals, to get feedback proposed on development standards.

### *Direction on Mixed Use 3.2 zone*

The Planning Commission supported draft standards for the MU 3.2 zone that included a new height ceiling that reduces the number of stories facing South El Camino Real from three stories to two per City Council direction. The height ceiling extends over entire MU3.2 properties and is measured above the front lot line midpoint elevation so buildings can be three stories behind El Camino Real. At that time, the Planning Commission supported a height ceiling that restricts plate line height to 30 feet and top of roof height to 35 feet, and supported a standard that limits the number of stories facing El Camino Real to two within 25 feet of the front property line.

### *Other Direction Received*

The Planning Commission also directed staff to:

1. Allow stand-alone residential uses on several lots on Avenida Granada (even side of street) where existing uses mostly include multi-family residential buildings. This change is a response to testimony from a resident that wants to rebuild or remodel but cannot because residential uses at ground level are prohibited in the downtown Mixed Use zone, which makes them nonconforming. The resident stated that his neighbors are in a similar situation.
2. Remove the Architectural and Pedestrian Overlays from Mixed Use 2 (MU2) properties that *primarily front Calle Los Molinos, not El Camino Real*.

The amendments proposed in response to this direction are discussed in the “Part 3” section of the report.

**June 3, 2015.** The Planning Commission continued the public hearing to June 17<sup>th</sup> at staff’s request, but used the meeting as opportunity to discuss particular provisions of the Mixed Use 3.2 (MU3.2) Zone and:

1. Confirmed the common parking ratios should be applied to MU3.2 projects (versus the more flexible downtown ratios).
2. Directed staff to revise height to ensure buildings are two stories off El Camino Real and no more than three stories off the alley.
3. Directed staff to consider new open area standards that require more open space along the streets and alleys.
4. Requested options for requiring projects to provide residential storage space.
5. Requested staff to rewrite some standards to be easier to understand.

The Planning Commission was concerned with the height along the alley. They expressed that buildings should appear to be no higher than three stories above grade, including basements partially above alley level. The Planning Commission had concerns that a project’s massing and height could appear to be three and a half stories above grade, when basement parking levels are not entirely below the alley. Building mass and height should transition down alley facing slopes to a size that is compatible with residences across the alley.

**June 17, 2015.** The Planning Commission provided straw votes on a number of issues, mostly pertaining to the MU 3.2 Zone, including the appropriate height limits for the new height ceiling limitation, the amount of open area that should be required along streets and alleys, and the merit of adding a storage requirement. These votes provided further direction and refinements to MU 3.2 zoning standards, which are discussed in the “Part 1” section of this report.

**July 8, 2015.** The Planning Commission provided straw votes in support of all amendments other than those related to the Mixed Use 3.2 area. For the MU3.2 area, the Planning Commission requested a study session to get a firmer understanding of property conditions and policy intent, and to evaluate various options for development standards and guidelines.

Since the Planning Commission was not ready to act on the entirety of GPA 15-049/ZA 14-456, the item was tabled to a date uncertain.



**Proposed MU3.2 General Plan standards**

<b>Table LU-1 General Plan Land Use Designations Summary Table</b>			
<b>Land Use Designations</b>	<b>Existing Maximum Density/ Intensity (FAR)</b>	<b>Proposed Maximum Density</b>	<b>Max. No. of Stories/ Building Height<sup>1</sup></b>
MU 3.2	<p>10 units per gross acre 24.0 units per net acre</p> <p>Commercial projects: 1.00 FAR Mixed use projects: 1.50 FAR</p>	<p>Two stories of facing S. El Camino Real and buildings appearing no higher than three stories above grade located behind and below S. El Camino Real, tucked into downward slope facing alley. Most restrictive height limit below applies:</p> <p>Height ceiling ; Top-of-Roof: 35 ft. Plate Line: 30 ft.</p> <p>Average height limit; Top-of-Roof: 45 ft Plate Line: 37 ft.</p> <p>Alley transition height limit: Top-of-Roof: 33 ft. Plate Line: 28 ft.</p> <p><i>See S. El Camino Real Focus Area for additional policies.</i></p>	<p>A vertical or horizontal mix of Neighborhood Serving Commercial (NC) and multifamily housing</p>

**MU3.2 zoning standards**

<b>MU 3.2 Development Standards</b>	
<b>Standard</b>	<b>MU 3.2 Zone Requirement</b>
Lot Area, Minimum	6,000 Square Feet
Lot Width, Minimum	60'-0"
Residential Density, Maximum	Maximum of one dwelling unit per 1,800 square feet of net lot area or one dwelling unit per 4,500 of gross area, whichever is less.
Front Setback, Minimum	0'-0"
Interior Side Setback, Minimum	0'-0"
Street Side Setback, Minimum	0'-0"
Rear Setback Minimum	
Street Level Open Area Adjacent to Street or Alley Frontages, Minimum	50 percent of Urban Open Area at street level per Section 17.68.050(C)(1) shall be located between street facing building facade and property lines adjacent to streets and alleys.
Lot Coverage, Maximum	100 percent of lot area
Commercial/Mixed Use Floor Area Ratio, Maximum	Commercial projects: 1.00; Mixed use projects: 1.50.
Floor Area, Minimum as Commercial in Mixed Use Projects	For Mixed Use projects, the Floor Area devoted to Commercial use shall be a minimum of a 0.25 ratio to the overall square footage of the project.
Height Limitations	<p>The maximum height of projects is limited by a height ceiling, height average limit, and alley transitional height limit. The height ceiling is applied to limit building mass to two stories facing El Camino Real while allowing for additional building mass behind and below, tucked into downward slopes that extend to an alley along the rear property line. Building floor area behind El Camino Real should appear to be no higher than three stories above grade. The most restrictive of the following height limitations shall be applied to projects:</p> <ol style="list-style-type: none"> <li>1. Height Ceiling. The height ceiling shall be as follows: a maximum plate line height of 30 feet and maximum top of roof height of 35 feet. The height ceiling is measured</li> </ol>

	<p>above the front lot line midpoint elevation. The height ceiling extends above properties from the front property line to rear property line so that no roof or building element may have a height that exceeds the height ceiling.</p> <p>2. Height Average Limit. Projects may have a maximum plate line height of 37 feet and top of roof height of 45 feet, provided that building height complies with the height ceiling limitation.</p> <p>3. Alley Transitional Setback Height Limit and Offset. A height limitation is applied to transition building mass of the MU3.2 zone down to the allowed height and scale of residential properties across the rear facing alley. The height limit is applied to an area within 30 feet inward of the rear property line, as follows:</p> <p>a. Any part of a building that exceeds a maximum plate line height of 28 feet or maximum top of roof height of 33 feet shall be set back an average of 25 feet from the rear property line.</p> <p>b. The 25 foot setback as required by Subsection 3.a. above may be reduced to a minimum of 10 feet if an offsetting setback of equal area and depth beyond 30 feet is provided on the same building frontage.</p> <p>c. Height is measured above the rear lot line midpoint elevation.</p>										
<p>Story Limitation, El Camino Real Frontage</p>	<p>The following additional standard shall be applied to limit development facing South El Camino Real to two stories. Projects shall be limited to two stories above street level within 25 feet inward of the front property line.</p>										
<p>Provision of Enclosed Residential Storage</p>	<p>Each dwelling unit shall be provided with an enclosed storage space for the personal and private use of each residence in accordance with the following table:</p> <table border="1" data-bbox="553 1633 1271 1829"> <thead> <tr> <th>Bedrooms</th> <th>Enclosed Storage (cubic feet, cf.)</th> </tr> </thead> <tbody> <tr> <td>Studio / One</td> <td>150 cf.</td> </tr> <tr> <td>Two</td> <td>200 cf.</td> </tr> <tr> <td>Three</td> <td>250 cf.</td> </tr> <tr> <td>Four or More</td> <td>300 cf.</td> </tr> </tbody> </table> <p>Design Requirements:</p>	Bedrooms	Enclosed Storage (cubic feet, cf.)	Studio / One	150 cf.	Two	200 cf.	Three	250 cf.	Four or More	300 cf.
Bedrooms	Enclosed Storage (cubic feet, cf.)										
Studio / One	150 cf.										
Two	200 cf.										
Three	250 cf.										
Four or More	300 cf.										

	<ol style="list-style-type: none"><li>1. Enclosed storage spaces may contain no dimension smaller than two feet and may not be divided into more than two locations.</li><li>2. At least 70 percent of the required space must be contiguous with the unit or required parking area it serves.</li><li>3. Storage spaces shall be as secure as possible. All storage spaces which are accessible from outside the living area must utilize one-inch deadbolt single cylinder locks, security-type hinges with non-removable pins, and solid core doors. Such spaces must be constructed in a secure workmanlike manner and of materials so as to resist forced entries.</li><li>4. The configuration of the storage space shall allow for all portions of it to be easily reattached.</li><li>5. One-half of the required space may be provided within the attic if it is accessible by a pull-down or stationary stairway. Where attic storage is provided, it shall be enclosed with one-hour fire-resistive construction.</li><li>6. Storage may not be provided by the enclosure of all or part of a required parking space to the extent that it prevents the full use of the space. If storage is provided by a suspended shelf or cabinetry, such shelf or cabinet may not extend to a point lower than 4'-0" above the surface of the parking space.</li></ol>
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Below are policies and standards pertaining to the MU 3.2 Area and the South El Camino Real Focus Area (West of I-5). Also, the City Council's direction is summarized for the proposed General Plan Amendment.

**Focus Area description and policies**

**South El Camino Real (West of Interstate 5)**

The South El Camino Real Area extends along El Camino Real, west of Interstate 5, from Avenida Rosa to Avenida Valencia and the Interstate 5 overpass. Interstate 5 borders the Area on the east and residential neighborhoods border it on the west.

This portion of the South El Camino Real (SECR-W) Area is envisioned as a transitional corridor from the Del Mar/T-Zone Area to the I-5 freeway that provides employment and residential opportunities anchored by neighborhood-serving retail uses. Unlike the Del Mar/T-Zone, which offers a unique retail experience tailored to both residents and visitors, the SECR-W area caters primarily to residents' retail and commercial service needs. The area is anchored by a grocery store serving this area of San Clemente and a concentration of neighborhood retail uses between Avenida Cadiz and Esplanade, the center of SECR-W. New development, including mixed use and residential uses on the west side of the corridor, are designed to maximize views of the Pacific Ocean.

**GOAL:**

Create a transitional area between Interstate 5 and the Del Mar/T-Zone, featuring spectacular ocean views, attractive mixed-use housing with local-serving commercial uses, restaurants and hotels. The district strikes a balance between automobile, bicycle and pedestrian orientation and is well connected to adjacent neighborhoods.

**POLICIES:**

LU-13.01. **Alleys/Paseos.** We consider improvements to our alleyways to provide automobile and electric vehicle access as well as alternative pedestrian and bicycle routes, where appropriate.

LU-13.02. **Bike and Pedestrian Environment.** We provide a high quality bicycle and pedestrian environment with "living street [link to Glossary]" designs, consistent landscaping, lighting, sidewalks, traffic calming measures, bikeways and trails, consistent with the Bicycle and Pedestrian Master Plan, Tree Ordinance and Design Guidelines.

LU-13.03. **Corridor Residential Development.** We require that sites developed exclusively for residential use are designed to convey a high level of quality in accordance with the Urban Design Element, Zoning Ordinance and Design Guidelines and incorporate features to ensure compatibility with adjacent commercial uses and adjacent neighborhoods, including the following:

- a. buffer residential use from abutting commercial uses;

- b. mitigate the noise, traffic (automobile and truck), and lighting impacts of abutting commercial uses;
- c. locate and design dwellings to provide adequate security and privacy for tenants; and
- d. preserve the economic viability and continuity of nearby commercial uses through consideration of residential and business needs, hours of operation, delivery and parking requirements in reviewing development requests.

LU-13.04. **Automobile-Related Uses.** We support the conversion of automobile-related uses [link to glossary] in the area to legal, conforming uses. We prohibit new automobile-related uses and proactively work with property owners of existing automobile-related uses to improve their properties' appearance and compatibility.

LU-13.05. **Views.** New development shall be designed to minimize obstructions of ocean views from the I-5 freeway.

LU-13.06. **Screening buildings.** We require new development to provide visual screening and/or architectural treatments on rear building facades and rooftops to buffer views from adjacent and hillside neighborhoods.

LU-13.07. **Gateways.** We enhance and maintain gateways that are designed to be safe for pedestrians, bicyclists and motorists, well-landscaped and litter-free. These gateways signify arrival to the Area at the following locations along South El Camino Real: 1) the southern entrance at the I-5 freeway off-ramp and Avenida Valencia, 2) Avenida Presidio, the gateway between South El Camino Real and the Del Mar/T-Zone, and 3) the intersection of South El Camino Real and Esplanade, signifying the core neighborhood commercial area.

LU-13.08. **Art in Public and Private Places.** We encourage the incorporation of art in public and private spaces that reflects the City's heritage and small town beach character.

LU-13.09. **Outdoor Areas/Public Space.** We work with property owners and developers to identify opportunities for providing usable outdoor areas and public spaces for visual relief from the built environment and areas for gathering.

### ***Freeway ocean view policy***

LU-10.05. **Ocean Views.** We preserve the General Plan-designated public view corridor from Avenida Pico through North Beach and encourage new development along El Camino Real to take advantage of ocean vistas.

LU-13.05. **Views.** New development shall be designed to minimize obstructions of ocean views from the I-5 freeway.

*(Note: Policy LU-13.05 is in the focus area section)*

## ***Urban design and other policies***

LU-3.01. *Horizontal and Vertical Mix.* We permit a range of horizontally and vertically mixed uses appropriate to key areas of the City.

LU-3.03. *Ground Floor Retail.* In pedestrian-oriented environments, we require retail uses to be located on the ground floor to provide convenience and good visibility for shoppers. Whenever possible, we require off-street parking to be screened and located on the side or at the rear of buildings.

LU-3.04. *Upper Floors.* Where buildings over two stories are allowed, we require building facades above the second floor to be set back from lower, street-facing facades to minimize building height and bulk, pursuant to the Zoning Ordinance, Design Guidelines, and applicable Specific Plans.

LU-5.04. *El Camino Real and Other Mixed Use and Pedestrian-Oriented Areas.* With the exception of automobile-related parts sales with no onsite installation of parts, we prohibit new and major expansions of automobile-related uses along El Camino Real and in other commercial and mixed-use areas of the City designated to promote pedestrian activity

LU-5.05. *Existing Auto Related Service and Repair Uses along El Camino Real.* We consider automobile-related service and repair uses located along El Camino Real, existing as of the date of adoption of this General Plan, to be conforming land uses which may continue. Expansion of such uses or structures shall not be allowed. Modification of such facilities shall be designed to convey a high quality architectural and landscape character, consistent with the overall character and image of the City as specified in the Urban Design Element.

UD-3.01. *Land Use Decisions.* We use urban design standards and tools to minimize adverse impacts on adjacent properties when considering land use and zoning requests.

UD-3.03. *Buffers and Setbacks.* We require that new uses and buildings, characterized by differing functions, activities, density, scale and massing, to provide conditions of approval, landscaped buffers and/or setbacks between uses to prevent or reduce adverse impacts.

UD-3.08. *Transitional Areas.* We require development in transitional areas, where one type of land use (e.g., industrial) transitions to another (e.g., residential) to protect residents' quality of life through such measures as landscaping, high-quality walls or fencing, or setbacks.

UD-5.01. *Outdoor Spaces.* For multi-family residential, mixed use and commercial development, we require integration of outdoor spaces into the architectural and site designs by encouraging the use of courtyards, patios, paseos, plazas, gardens, covered walkways, rooftop terraces, verandas and other outdoor spaces enclosed by architectural or landscape elements, and encourage the same for other types of development.

UD-5.10. *Scale and Massing.* We require that the scale and massing of development be compatible with its surroundings and with the General Plan, applicable specific plan and or area plan.

UD-5.12. *Offset Building Facades.* To prevent “canyonization” and preserve village character, second- and third-story building facades shall be horizontally and vertically setback, with differential setbacks between adjacent buildings for variety and architectural interest.

UD-5.14. *Building Design with Topography.* Building design shall consider the site’s natural topography, public view corridors and adjacent building profiles so that canyonization is avoided.

**Existing standards**

Table LU-1 General Plan Land Use Designations Summary Table			
Land Use Designations	Maximum Density	Max. No. of Stories/ Building Height	Intention
<b>Mixed Use</b>			
MU 3.2	1.00 FAR without residential	2 stories without residential; TOR: 33 ft.; PL: 26 ft.	Applies to Downtown Area outside of Downtown Core.
	1.50 FAR with residential	3 stories with residential; TOR: 45 ft.; PL: 37 ft.	A vertical or horizontal mix of Neighborhood Serving (NC), Community Serving (CC), and multifamily housing
	>10.0–24.0 dwelling units per acre	<i>See S. El Camino Real Focus Area for additional policies.</i>	

**City Council direction for General Plan Amendment**

On February 3, 2015, the City Council directed staff to modify number of stories from three stories to two stories facing South El Camino Real. The City Council supported more building mass behind and below South El Camino Real buildings, tucked into slopes that extend downward to alleys along the rear of properties. Behind El Camino Real, building mass should appear to be no higher than three stories above grade. There wasn’t a concern to have building mass below alley level to provide for parking in basements.



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gateway features and a specific plan with distinct design guidelines and incentives to facilitate change along the corridor. The incentives (typically in the form of parking reductions and increased allowable intensity) were great enough to spur private reinvestment in the area. This type of transformation happens slowly over time. Brian clarified that in Los Molinos very limited changes in uses are proposed so the existing uses will not be incompatible with those in the future. An implementation tool in Los Molinos would be an update of the West Pico Specific Plan to reflect workshop input.

Jerry answered questions about the north side of Los Molinos, where the industrial area is proposed to remain as is, but with potential to improve circulation through reducing curb cuts and with policies to encourage façade enhancements.

GPAC member Kathy Oshima suggested documenting the potential for a train station to be located to the Los Molinos area in the future. GPAC member Mike Cotter suggested that several properties along Calle Valle be added to the Los Molinos Focus Area. GPAC member Karen Ahola asked about implementation and how a mixture of uses could be achieved. Brenda Wisneski, Principal Planner, explained that adopting a new plan for Los Molinos would create an overlay for new uses (live/work and residential). Jerry pointed out that a new plan for the area will still need champions to promote its implementation and get the community to support future projects there. Brian reminded the group that the next phase in concept development will involve reviewing several potential implementation strategies and their fiscal feasibility. Steve Gunnells, The Planning Center, explained that there are heavy-handed approaches to revitalization (redevelopment projects, rezoning, etc.), but the workshops revealed that there is not much community support for significant changes in this area. Cosmetic and functional improvements to the existing uses are desired to occur here, and they will occur on properties where there is value to be added. Steve challenged the GPAC to think about the types of commitments and public resources they are willing to put into this area.

The conversation also covered showing the connections to the residential area more clearly, looking at potential changes to the ball fields to facilitate more parking for businesses, and getting more detailed information on the potential in the northern area of Los Molinos. Brian explained that The Planning Center will return with refined concepts and will explore FARs, feasibility of implementation strategies, etc. to provide more detail about future development potential.

Public comment: Mark Maguire asked for more information on the current land uses and their development potential in future presentations of Focus Area alternatives.

#### ***South El Camino Real West of I-5 Focus Area***

Brian provided a summary of public input from South El Camino Real West of I-5 Focus Area Workshop and Jerry presented a draft design concept and sections. He explained that workshop participants liked that this area serves the neighboring residential areas and is not a destination for tourists and does not compete with Avenida Del Mar. Jerry identified three sections that could be treated somewhat differently. One section in the far south is more auto-oriented and has potential to provide a minor gateway for both locals and tourists, the central area would be the core neighborhood shopping area (anchored by a market), and the north could integrate more office uses that compliment the retail in downtown. Throughout this area an alley could be transformed into a safe route for

pedestrians and bicyclists. Other proposed improvements included streetscape and landscaping enhancements.

Jerry presented a section of South El Camino Real that showed how stepping back upper floors and building into the grade could facilitate multistory buildings without blocking views of the ocean. Del Mar Plaza (in the City of Del Mar) was shown as a case study. GPAC member Karen Ahola likes the Del Mar Plaza but asked how the same quality of materials could be achieved in San Clemente. She also provided Sedona as a positive example. Jerry and Brian explained that identifying the quality of development begins in the goals and policies of the General Plan that would direct the Design Guidelines to be revised to provide greater clarity in terms of materials and design features. This could result in revisions to the Zoning Code.

GPAC members Lew Avera and Dan Bane praised the idea of making the alley safer for pedestrians and cyclists through special pavers and other improvements. Jim Reuhlin suggested the improvements to the alley be proposed to go north of this Focus Area. Pete Van Nuys emphasized that preference could be given to bikes at the intersections with the alley to greatly improve cyclist use and safety. Tim Brown expressed concern over increasing intensity in an area with potential parking problems. Jerry explained that the parking concerns are known and an analysis of mitigation opportunities, such as ways to reduce curb cuts and to share parking facilities, will be explored in greater detail.

Public comment: Audience member suggested that diverting downtown traffic by improving signage and gateways elsewhere in the community could help preserve this area for neighborhood-serving uses.

Karen Ahola asked if roundabouts were feasible along El Camino Real. Brian explained that roundabouts may not improve access and traffic flows in all areas, but circulation improvements will be explored. Pete Van Nuys suggested that the GPAC consider creating Ole Hanson Boulevard, a tunnel as wide as Caltrans needs it to be so traffic will be underground and commercial real estate can exist where I-5 once stood. He explained that some effort needs to go into further analyzing this idea for feasibility and offered Santa Monica's tunnel extension as a case study. Brian explained that this kind of feasibility analysis is not included in the General Plan project scope of work.

#### *South El Camino Real East of I-5 Focus Area Workshop*

Brian summarized the workshop comments and Randy presented the preliminary design concept. The design concept distinguishes three areas of this stretch of South El Camino Real. The northern portion was designed to continue having community-supportive retail uses (including restaurants) and residential uses, but improvements and growth could be achieved through shared parking facilities, landscaping improvements, and creation of a gateway. The middle section is a transitional area with auto-oriented uses and vacant lots that could be improved should incentives be provided to encourage investment. Randy presented the opportunity to narrow South El Camino Real (South of Magdalena) to provide space for a dedicated bike lane, pedestrian paths, and more on-street parking. This change would continue down into the southernmost section, which was identified as having the potential to better serve residents and the surfing community. Although aesthetics were a concern in this area, the community's desire is to keep an eclectic, casual feel to reflect the City's surf history and current surf industry. The concept proposes streetscape improvements, encouraging art in public places (including murals

October 26 2010



**Public Comment:**

Paul Littlepage liked the office and institutional overlay idea because it provides opportunities without forcing the property owners to make it happen. He asked how the City would deal with incremental change in the Pico Plaza area. Steve Gunnells explained that none of the existing uses would be prohibited, but incentives would be needed to encourage lot consolidation and cohesive development.

GPAC member Nancy Hunt said that her office is in the area, the shopping area seems successful, and that traffic can be an issue. Brian Judd explained that the area was designated retail to take advantage of the visibility from I-5, but the retail has not performed as well as expected and may worsen over time given the surrounding. Mayor Jim Dahl announced that the Pico interchange is going to be reconfigured to improve the flow of traffic in the area.

GPAC member Bill Hart informed the group that Caltrans has a railroad tunnel under I-5 on record so the potential for a transit station in the Pico/I-5 interchange area should be included in the General Plan.

**Land Use Planning in the South El Camino Real West of I-5 Focus Area– Brian Judd and Jerry Ogburn, The Planning Center**

Jerry explained how intensifying floor area ratios and allowing two stories of residential uses above one story of commercial on the west side of the street could provide a residential buffer between existing neighborhoods and the businesses along El Camino Real. The intent was to incentivize development through increased intensity while creating a residential buffer between the existing neighborhoods adjacent to the corridor. The GPAC clearly stated that no three story uses should be included on the west side of El Camino Real. GPAC members would consider three stories of uses on the east side of El Camino Real if traffic and parking impacts could be addressed. The consultant team will bring back a new alternative at the next meeting that limits development to two stories on the west side of El Camino Real.

Karen Ahola asked that floor area ratios be explained in greater detail so the GPAC will have a better understanding of how intensity affects business opportunities and building scale. Pending a presentation on the concept of floor area ratios at the next GPAC meeting, the GPAC did not make any recommendations on FARs.

**Design Concept in the South El Camino Real East of I-5 Focus Area– Brian Judd, Jerry Ogburn, and Steve Gunnells, The Planning Center**

No General Plan land use changes were proposed in the South El Camino Real East of I-5 corridor. The current plan calls for horizontal mixed-use south of Avenida Magdalena and neighborhood commercial uses between Avenida Magdalena and Interstate 5. The Planning Center presented a design concept with improved gateways and greater space for pedestrians and cyclists along El Camino Real. The street would be reduced by the width of one traffic lane to allow wider landscaped sidewalks adjacent to buildings, diagonal parking, a northbound lane, a turn lane, a southbound lane, and a separated,

December 6 2010

**South El Camino Real, West of Interstate 5**

Brian presented two land use alternatives, one that increases the maximum FAR to 0.75 north of W. Avenida Cadiz and to 0.50 to the south. Alternative Two increases the FAR to 0.75 on the northeast side of South El Camino Real, north of West Avenida Cadiz, and establishes a mixed retail, office, and residential use environment (1.0 FAR) along most of the western side of the corridor and allows both vertical and horizontal mixes of uses, but would limit heights to two stories.

Several people expressed concern over having three stories on the east side of S. El Camino Real and asked why a higher Floor Area Ratio (FAR) and multiple stories were necessary to encourage new development. Brian gave a presentation on FAR and explained that the cost of recycling an existing building or demolition and building anew need to be offset by development potential. Higher FARs will attract reinvestment into the area. In regards to height, he showed a photo of an existing structure with three floors over ground floor parking. John Dorey said that having parking lots in the front of properties is a problem along the corridor. Having three stories in the back and parking in front negatively impacts residents across the alley. Alan Korsen pointed out that the topography in some areas lends itself to having the building in the front and over ground floor parking in the rear. Tim Brown felt that if every building could go up to three stories the street would feel like an alley. Marvin Dennis suggested setting third floors back or using courtyard-style development to reduce the appearance of scale, similar to the Hotel San Clemente.

Public Comment: Wayne Eggleston said that it is important to consider impacts to the residences behind El Camino Real (ECR). Trying to achieve village atmosphere along a street that doesn't lend itself to being a village is at the expense of the neighborhood. It is more automobile oriented because it is an arterial. He added that residential uses along the corridor could create that atmosphere.

Karen Ahola warned that the setbacks should be clearly defined in the codes because over time there could be different interpretations resulting in an abuse of standards. Brian explained that setbacks on upper floors can reduce visual impacts from all sides. Brenda Wisneski, City of San Clemente, suggested that two stories could be allowed along ECR with a third floor that has increased setbacks to reduce the massing. Several members did not feel that the GPAC should be focused on design details. Brian reminded the group that the General Plan team needs to get an idea about the envisioned intensity in each area to review it for traffic impacts. Height and setback standards will not be a part of the new General Plan, but it can provide policy direction to revise the zoning code to meet design needs. That way the zoning code (and not the General Plan) will be amended as product types and market demand changes.

Alan Korsen reported that the Planning Commission approved an auto repair shop, and now the parcel is a lost opportunity. A discussion of whether or not to allow auto service businesses continued until it was determined that a separate, focused discussion should occur at the next GPAC meeting.

Karen Ahola asked why The Planning Center is recommending allowing up to three stories if the public didn't expressly recommend that action. Brian explained that the

public indicated that they would like to see new development on vacant land and older commercial areas and the market shows that a transition will require incentives such as increased development opportunities that can be provided through increasing the allowable FAR. Several members offered examples of places where mixed use and more intense development along corridors has worked while others pointed to unsuccessful buildings in San Clemente. Brenda explained that allowing more intense mixed use development is a strategy to eliminate the vacancies on commercial-only parcels. Brian said that the development on the ground today reflects the current market, allowable uses, and the current allowable 0.35 FAR. Pete Van Nuys suggested that this area needs help being transformed into a district. The City should capitalize on ocean views and create an identity. Several GPAC members agreed that preserving the ocean views is a priority in this area and should influence development standards. Brian offered to present a graphic about views at the next meeting.

Overall, the GPAC agreed that increasing the FAR and allowing two stories plus one ground floor of parking would be acceptable in certain areas, but would need to see an example of how that would work with the slope. Three stories are palatable on the freeway side as long as views of the ocean are not obstructed.

Public comment: Georgette Korsen said that three-story development can have a canyonizing affect and block ocean views.

Brenda said that the City will revisit its development standards to address ocean views from the freeway in this Focus Area.

#### ***Pier Bowl***

Brian presented a General Plan Alternative that changed Coronado Lane from Mixed Use to High Density Residential to reflect existing uses and the direction at the last GPAC meeting that commercial uses should not be pursued. Jim Ruehlin asked if they could leave the Mixed Use in the plan to keep it a possibility. Brian told the group that the General Plan lays out the future vision and an implementation strategy for obtaining that vision, so if there wasn't a commitment to make commercial uses happen here, it should not be included in the General Plan.

Public comment: Dan Bogoshian said that he owns a property with excess parking on Coronado Lane and a vacant lot on Avenida Victoria. He is looking for a partner in the City. He said that in the past the City changed the FAR from 2.0 to 1.5 and that development opportunities were reduced. He suggested looking for shared parking solutions or a shuttle service in the area and that these things may be needed anyway to accommodate new visitors from Rancho Mission Viejo.

Brian Judd announced that the consulting team has heard conflicting opinions about the mixed use. He said that parking solutions and circulation details can be addressed in other elements of the General Plan and in the development code, but right now a vision and direction for this area is needed from the GPAC.

Public comment: Dan Bogoshian said that the City has budget set aside for a paseo or other transitional space from Avenida Victoria to Coronado Lane and that parking issues



January 6 2011



# Meeting Minutes

**Date** January 13, 2010

**Subject** **GPAC Meeting**  
January 6, 2011 6:00 to 9:00 pm

**Location** 910 Calle Negocio, Second Floor

## I. Meeting Minutes – Brian Judd, The Planning Center

A comment from John McKinley was attributed to someone else in the 12/6/10 meeting minutes. No other changes were made to the minutes.

## II. Land Use Alternatives Follow-up – Brian Judd, The Planning Center

The GPAC completed its discussion of the Focus Area Land Use Alternative at its December 6th meeting with the exception of building heights along South El Camino Real, West of Interstate 5. Brian presented the two Land Use Alternatives for this Focus Area and reiterated the concerns expressed at the previous GPAC meeting: three story buildings on the east side of the street may block views of the ocean from I-5, too many three story buildings could create a canyon-like effect along the corridor, and the need for a complimentary scale to the residential neighborhood to the west. Brian explained that the elevation varies parcel-by-parcel, the elevation of the freeway changes, and the position of the building affect its potential to block views of the ocean from I-5. Although the General Plan does not cover details such as setbacks and building heights, policy direction can be provided to allow development that does not impede views of the ocean from I-5.

John Dorey expressed concern that too much regulation could make development in the area infeasible. If development occurs and blocks part of a view he felt that it is important that the building is not blank. Brenda Wisneski, Principal Planner for the City of San Clemente, explained that variations in design can create visual interest on all sides of a building. Bill Hart said that since the potential to block views is situational and based on the specifics of each lot, the GPAC should recommend policy language that views of the ocean from the freeway should be taken into consideration as part of a discretionary review process. Marvin Dennis agreed that such a policy is needed, especially given that lot consolidation could result in larger projects. Pete Van Nuys explained that if you look at the view from I-5 as a period of time, each building that blocks the view removes a few seconds of a unique experience. Nancy Hunt and Karen Ahola agreed with this sentiment. Karen added that views of the ocean are an important marketing opportunity for the City and that thoughtful wording is necessary to ensure that the Zoning Code height limits are not abused in the future. Brian Judd said that The Planning Center will

come back to the GPAC with policy direction to preserve views, but specific changes to the code (such as height limits) are not included in the General Plan. That level of detail is provided during a Zoning Code update.

Brian then showed an exhibit of how a building on the west side of S. El Camino Real could have a two story façade in the front and two stories of development above parking in the back because of changes in topography. The exhibit showed that a setback on the top story in the back of the lot could reduce the visual impact to adjacent residences. He also provided examples of midblock housing that revitalized previously underperforming commercial areas: Cienega on Pacific Coast Highway in Long Beach and S. Anaheim Boulevard at W. Santa Ana Street in Anaheim. Lew Avera felt that midblock housing would encourage a horizontal mixed use environment along the corridor. Karen Ahola expressed concern over projects that allow two stories of development over one story of parking. She asked how the existing structures were permitted. Brenda suggested that the structures in question may have been permitted under old regulations. Chris Hamm asked how the quality of development can be improved over the existing stand alone residential projects on the far southern end of S. El Camino Real. Brian explained that the development standards would need to be revisited for context sensitivity and design standards as an implementation measure of the General Plan. Lew Avera pointed out that adding horizontal mixed use to the area will bring residents to the corridor and create a community of people who will enjoy walking to local businesses. Richard Boyer reminded the group that residents had brought up the idea of having pocket parks on some vacant lots in this focus area as an alternative to development. Pete Van Nuys asked about potential conflicts between businesses and future residents that could drive away businesses. Charles Mann mentioned several examples of cities where mixed use development is a successful model. Brian Judd pointed out that the present development pattern and building quality reflects the limited demand for commercial development in this area. Ken Nielsen echoes that sentiment by saying that existing property owners need opportunities to reinvest in their aging buildings.

Brenda called for a straw poll vote. No GPAC members voted for Alternative 1 (Neighborhood Commercial only) and 20 GPAC members voted for Alternative 2 (allows mixed use development and higher intensity of commercial use in select areas). Two GPAC members abstained.

### **Public Comment**

Former GPAC member, Councilman Tim Brown, stated that now that he is a seated Councilmember he would resign from the GPAC. He expressed thankfulness for the opportunity to serve as a GPAC member. He said that good things are happening in the City and that being on the GPAC was a great experience.

### **III. Auto Related Uses Policies**

Brian informed the GPAC existing auto service and repair businesses in areas where the General Plan alternative proposes to change from Neighborhood Commercial (with a CUP) to Mixed Use will result in some nonconforming uses. Brian asked the GPAC if they are looking for a change in GP policies to permit new auto uses along El Camino Real. Charles Mann felt that the auto-serving uses were not part of the community's vision for a pedestrian-friendly El Camino Real. Alan Korsen stated that if auto uses are

### Encinitas

- **Moonlight Lofts (90 N. Coast Hwy)**
  - Mixed use showing large lot development
  - 15 commercial units, 13,000 sq. ft. total
  - 18 loft units
- **1216-1228 N. Coast Hwy and 1200-1214 N. Coast Hwy**
  - Mixed use showing range of architecture
  - 8 commercial units, 11,000 sq. ft. total
- **Pacific Station (687 S. Coast Hwy)**
  - Large lot development
  - Adjacent to transit
  - 47 units, 54,000 sq. ft. of commercial
- **Mixed use on small lots reflecting lifestyle development**
  - 416 2<sup>nd</sup> Street: 2 units, 1,500 sq. ft. office
  - 550 2<sup>nd</sup> Street
  - 681 2<sup>nd</sup> Street: 2 units, 1,400 sq. ft. office
  - 751 2<sup>nd</sup> Street: 1 unit, 2,000 sq. ft. office
  - 761 2<sup>nd</sup> Street
  - 841 2<sup>nd</sup> Street: 3 units, 6,300 sq. ft. fitness training
  - 848 2<sup>nd</sup> Street
  - 901 2<sup>nd</sup> Street
  - 904 2<sup>nd</sup> Street: 2 units, 7,800 auto repair and office (unique blend of uses)

### Oceanside

- **100 block, N. Cleveland St.**
  - Large lot development
  - Contains Pierview Dental (for reference)
- **400 block, N. Coast Hwy**
  - Contains Endurance House (for reference)

### Carlsbad

- **Villagio Carlsbad (3112 Lincoln St.)**
  - 6 townhomes above a 3,000 sq. ft. retail space
- **2975 Roosevelt St.**
  - Restaurant with office space and one dwelling unit above
- **880 Carlsbad Village Dr.**
  - Small commercial spaces with office above
- **6811 Embarcadero Ln.**
  - Mixed use transit-oriented development
  - 78 residential units
  - 16,200 sq. ft. commercial space
  - 2,800 sq. ft. daycare center

6. PLANNING AREA 6 DEVELOPMENT STANDARDS

a. Implementation of Specific Plan Vision and Goals – Purpose and Intent

The purpose and intent of this planning area is to accomplish the following objectives:

- 1. To implement the transit-oriented development principle of establishing uses of high intensity and density within 500 feet of the transit station.
- 2. To relocate the tourist service commercial uses from Parcel C (as approved under the Local Coastal Program) to a location which enhances and complements the transit station, and which provides superior access for both pedestrian and transit users in conformance with the goals of Section 30252 of the California Coastal Act.

To accomplish these objectives, Planning Area 6 is proposed as a mixed-use project of residential and commercial/retail uses. One half of the planning area is assumed as residential for purposes of calculating residential density and residential development. Planning Area 6 will be a mixed-use development which integrates pedestrian access between commercial/retail elements of the planning area, the adjacent transit station, and other Specific Plan areas. Theme elements within Planning Area 6 will be consistent with the rest of the Specific Plan area to ensure a well designed, architecturally integrated pedestrian-oriented community.

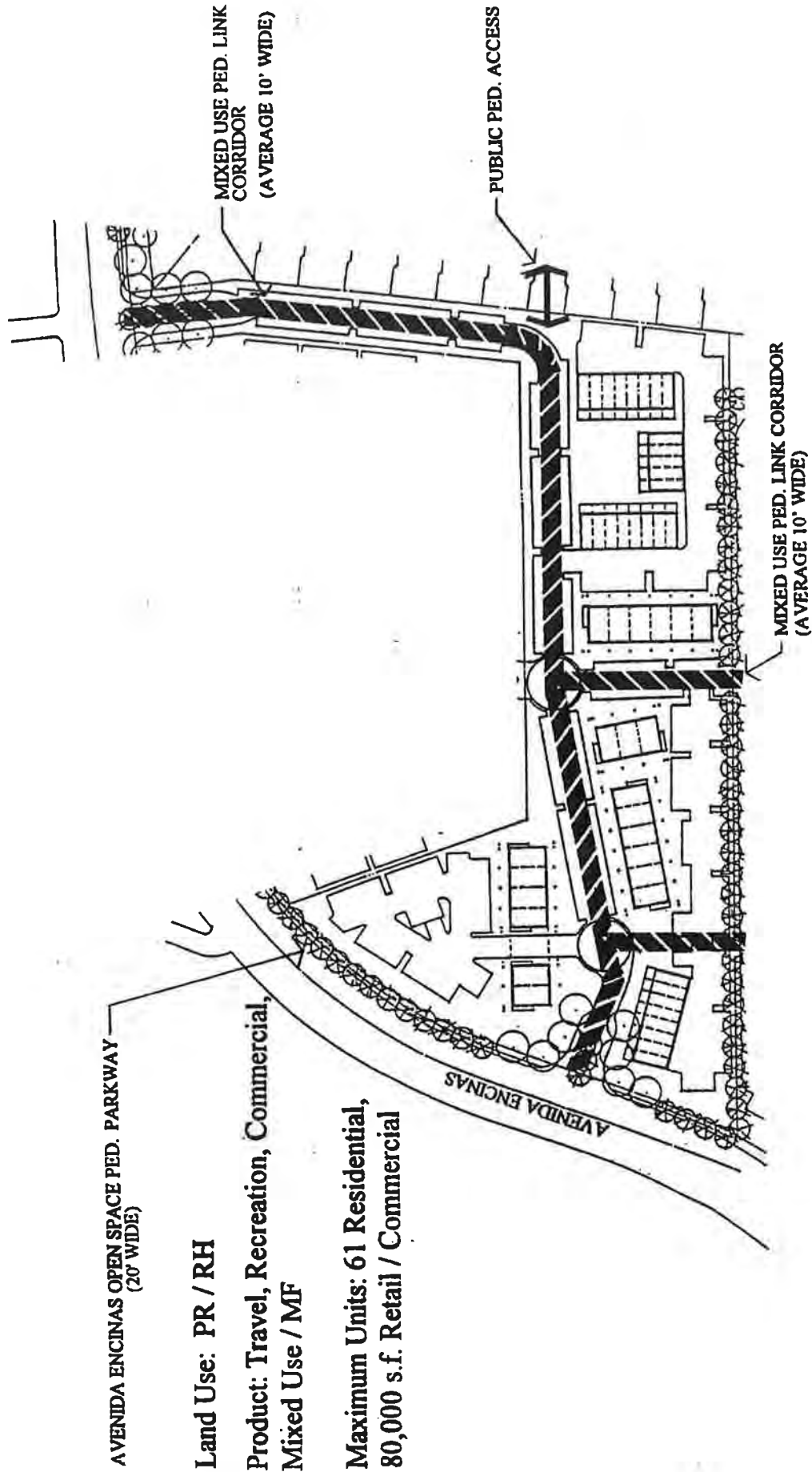
b. Description:

- 1. Planning Area 6 is located west of Avenida Encinas and its intersection with Poinsettia Lane. It has a gross and net area of approximately 6.5 acres. Planning Area 6 shall be developed with commercial and/or retail uses and will allow for up to 61 residential units. Planning Area 6 will mitigate its own affordable housing requirement through rent restrictions of 15% of its units.
- 2. Planning Area 6 shall be designed per the CT Zone and related ordinances unless otherwise addressed in the Development Standards for this planning area and elsewhere in this specific plan.

Residential development within Planning Area 6 shall be processed pursuant to a site development plan. Units proposed for sale will require the processing of a tentative map and non-residential planned unit development permit.

# Poinsettia Properties Specific Plan

Carlsbad, Ca.



CONCEPTUAL  
SITE PLAN

## AREA 6

THIS EXHIBIT IS CONCEPTUAL ONLY.  
FINAL ARCHITECTURAL DESIGN SHALL BE APPROVED  
WITH THIS PLANNING AREAS TENTATIVE MAP

**Land Use: PR / RH**

**Product: Travel, Recreation, Commercial,  
Mixed Use / MF**

**Maximum Units: 61 Residential,  
80,000 s.f. Retail / Commercial**

**BOWLUS, EDINGER + STARCK  
ARCHITECTS & PLANNERS**

3. The following exhibits are used in this section and are helpful in review of this planning area.

<u>Exhibit</u>	<u>Page</u>
# 5, planning area map	25
# 40, planning area site plan	136
# 31-33, conceptual elevations	82-84

c. Use Allocation:

<p>General Plan Land Use: Zoning: Poinsettia Properties Specific Plan:</p>	<p>Travel Recreation CT Development Standards Allows up to 80,000 square feet of commercial/retail uses as allowed under the CT Zone including, but not limited to, restaurants, fast food (no drive thru), restaurants, bakery, coffee shops, video rentals, retail, banking, child care center, dry cleaners, book stores, office, professional, and other commercial/retail uses and any other use which may be approved by the Planning Director. In addition, this area allows up to 61 residential units. Residential units can be apartments above commercial/retail and live/work units designated for residential units as described later in this section. SDP/CUP/TM/Non-Residential PUD</p>
<p>Development Process:</p>	<p>SDP/CUP/TM/Non-Residential PUD</p>

d. Lot Size: Not applicable

e. Development Standards:

1. Setbacks and Parkways:

Avenida Encinas pedestrian/open space parkway

- All buildings shall be set back a minimum of 30 feet from Avenida Encinas. This setback area includes the 20 foot landscaped parkway along Avenida Encinas. (See Exhibit 18, page 55 and discussion starting on page 39.)

2. **Building Height:**
    - A maximum of 35 feet or three stories shall be allowed. Building height shall be measured per the definition contained in Section 21.04.065 of the Carlsbad Municipal Code.
  3. **Recreational vehicle storage is not required for any residential component of this mixed use planning area.**
- f. **Special Design Criteria - Transit Oriented and Other:**
1. Exhibit 40, page 136, details a conceptual site plan for this planning area. This exhibit shows a conceptual design which may vary provided that final design complies with all applicable ordinances.
  2. The principal design consideration for this planning area is to incorporate the commercial uses, the residential uses and the work/live uses into one harmonious community. To create a "village" street scene that is a vibrant and diverse neighborhood where people can live and work. As this planning area is directly adjacent to the Poinsettia Transit Station, its basic design is to facilitate an assortment of uses and functions. These include:
    - i. To offer commercial uses which are related to the use of the Poinsettia Transit Station "Coaster". These uses are ones which might cause the need for an additional stop on the way to or from the Station, such as cleaners, coffee shop, child day care, book or periodical purchase or market.
    - ii. To offer lower cost residential opportunities very close to the Poinsettia Transit Station, thereby making connections to primary employment centers viable with the reduced need or use of an automobile.
    - iii. To offer a "mixed use" environment for people to work and live in one location and yet have transportation services available to them, thereby eliminating or reducing the need for the use of an automobile.
    - iv. To encourage the use of this planning area, the design scale of the buildings should be reduced to a more pedestrian level. This includes such methods as discouraging the use of automobiles and parking, creating easy to use trails and bikeways, bringing buildings closer to the streets, and creating pedestrian focal points where people can sit and gather.



- v. To create an interesting and active environment where pedestrians can use the private and public facilities and have easy access to and from the NCTD Transit Station.
- vi. Streets may be public and/or private.
- vii. Encourage a mix of small office, retail and residential buildings and uses. To create the devised "village atmosphere" no individual use should take up more than 10,000 square feet. However, subject to the approval of the Planning Director, certain users may exceed this maximum square footage requirement. An example would be an individual business providing a variety of uses, such as a coffee shop, book store, video rental. Another exception would be a day care facility that may need more than 10,000 square feet to be economically viable while providing a much needed service to residents of the plan. When approving uses larger than 10,000 square feet their impact on the desired "village atmosphere" shall be considered by the Planning Director.
- vii. Encourage housing on upper floors.
- ix. Encourage that adjacent residential neighborhoods be connected via safe, direct walkways.
- x. Encourage commercial shops and services near the Poinsettia Transit Station.
- xi. Discourage buildings less than two stories high.
- xii. Prohibit subdivisions of land into lots for single family housing.
- xiii. Encourage direct pedestrian access between buildings and the Poinsettia Transit Station.
- xiv. Encourage narrow local streets of 28 foot width with canopy trees.
- xv. Encourage minimal street setbacks (10 feet or less for areas with outdoor dining).
- xvi. Provide sidewalk amenities such as outdoor seating areas and other public gathering places, benches and other street furniture and lighting to encourage a safe, active street scene.

- xvii. Benches and/or outdoor seating shall be provided along all pedestrian pathways including the public street in Planning Area 6.
- xviii. Planning Area 6 shall provide a square or plaza for outdoor gathering. This space shall include such items as shade trees, sunny areas, a fountain, a clock tower, tables and seating.
- xix. Planning Area 6 shall provide a variety of outdoor seating/gathering areas. Outdoor seating may include benches, seats on planters, outdoor eating areas, or other such facilities meeting the intent of providing outdoor gathering facilities.
- xx. Individual "live/work units" can be used as the following:
- A place for work within the structure, such as an office.
  - A place for retail sales.
  - A place for some forms of inside art production which do not create a public nuisance, such as noise or dust.
  - A place for residential use (apartment or condominium)
  - A place where some of these uses can be combined in one unit, such as residential and office use.
  - Both commercial or residential units can be condominiums or apartments.
  - Allowed commercial retail and office uses for live/work units include all uses listed under Section XI.B.6.c (*Use Allocation* section, page 137) for this planning area.
- xxi. A child day care center shall be incorporated in the development of Planning Area 6 in accordance with the provisions of Chapter 21.83 of the Carlsbad Municipal Code relative to child day care centers in the C-1 and C-2 zones. Twenty-five percent of the proposed square footage in Planning Area 6 may be developed and occupied prior to construction of a child day care center.
- g. Development Review Process
1. For Sale Units
    - i. Tentative Map/Non-Residential Planned Development Permit  
Tentative Map/Non-Residential Planned Development Permits shall be processed as provided in section XI.B.1.g.1 on page 101 of this Specific Plan.

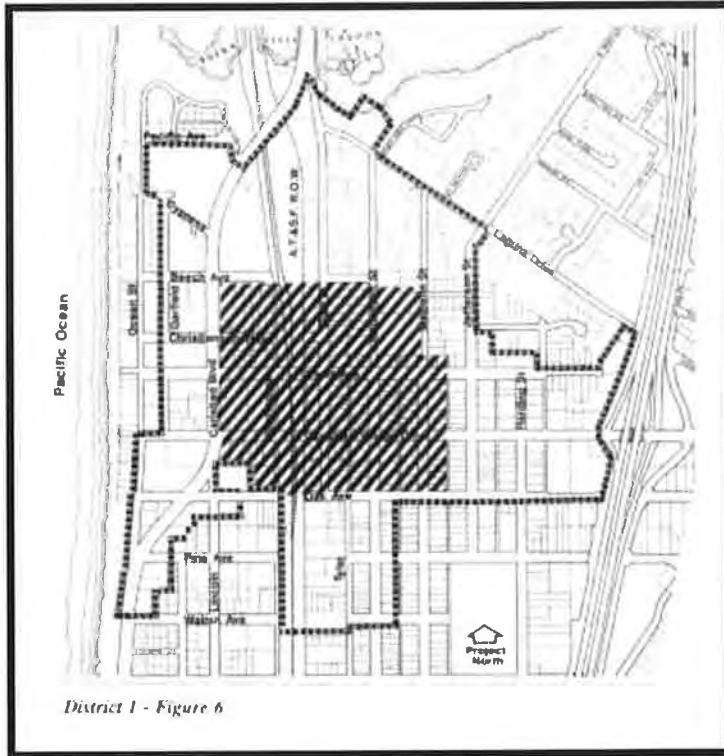
ii. Architectural/Non-Residential Planned Development Permit Amendments

Architectural/Non-Residential Planned Development Permit Amendments shall be processed as provided in section XI.B.1.g.2 on page 128 of this Specific Plan.

2. Rental Units

- i. A Site Development Plan shall be processed in accordance with Chapters 21.06 and 21.53 of the Carlsbad Municipal Code.

## Land Use District 1 – Carlsbad Village Center



The boundaries for District 1 are shown on the map provided in Figure 6. This district has traditionally been the Central Business District of Carlsbad. Although shopping centers and other development outside of the Village have drawn some uses away from the area, the District 1 Village Center continues to function as a strong retailing and financial services core serving city residents as well as tourists and regional visitors. The intent of land use standards for this district is to reinforce the pedestrian shopping environment, encourage mutually supportive uses and provide a major activity focus for Carlsbad Village and the city as a whole. Retail shopping continuity, local serving commercial shops, stores and restaurants as well as facilities and services for travelers in the coastal zone are emphasized.

Following are the individual development standards which have been set forth for all projects to be developed within District 1 of the Village Area. Please see the “Universal Standards” section of this Chapter for information on variances and standards modifications, and criteria to be used in setting the standards for individual projects when a range is set forth for the subject standard.

### Building Setbacks:

**Front:** For non-residential and mixed use development within the Coastal Zone, there shall be no minimum or maximum setback for first at grade floor. A 10 foot average setback shall be required for all floors above the first at grade floor. For residential only projects, there shall be a 10 foot average setback for all floors, including the ground floor.

For non-residential and mixed use development outside the Coastal Zone, there shall be no minimum setback and a maximum setback of 10 feet for the first at grade floor. Setback areas not occupied by a driveway shall be landscaped and/or contain semi-public amenities such as courtyards or outdoor seating areas.

Except where minimum driveway access is necessary to serve the development, the first at grade floor of a building(s) shall occupy a minimum of 70% of the width of the parcel fronting the street.

**Side:** No minimum or maximum setback requirement.

Rear: No minimum or maximum setback requirement.

Exception: At grade parking lots must be set back a minimum of five feet from any property line for landscaping purposes.

## **Open Space:**

A minimum of 20% of property must be maintained as open space. The open space must be devoted to landscaped pedestrian amenities in accordance with the City of Carlsbad's Landscape Manual. Open space may be public or private and may be dedicated to landscaped planters, open space pockets and/or connections, roof gardens/patios, balconies, other patios and outdoor eating areas. No parking spaces or aisles are permitted in the open space.

## **Building Coverage:**

All Projects: 100%

## **Building Height:**

45' maximum.

## **Roof Pitch:**

50% of the total roof structure (per property) must have a 5:12 roof pitch. This provision shall not apply outside the Coastal Zone.

## **Property Line Walls/Fences:**

All property line walls/fences (including combination retaining wall and fences) shall be limited to a maximum of six (6) feet unless a taller wall or fence is approved by the appropriate decision making body. To exceed the wall height of six (6) feet, the decision making body must make the following findings:

1. That the purpose for the additional wall height is to enhance adjacent neighbor privacy and/or to provide for noise attenuation;
2. That the additional wall height is requested by the adjacent neighbor and/or determined by the decision making body to be in the best interest of the adjacent neighbor;
3. That the wall or fence is attractively designed and/or decorated.
4. Decorative wall features may extend no more than six (6) inches above the maximum height of the wall. Wall height shall be measured from the lowest side of the finished grade to the top of the wall.

## **Parking Requirements:**

See Chapter 6 of the Village Master Plan and Design Manual for a list of parking requirements by land use.

District 1 is located within Zone 1 of the In-lieu Fee Parking Program, which means that properties east of the AT&SF Railroad right-of-way within the district may be allowed to meet a portion or all on-site parking requirements for non-residential uses by paying a fee.

The In-lieu Fee Parking Program shall only be permitted in the remaining area west of the railroad right-of-way when it can be demonstrated to the satisfaction of the California Coastal Commission that 1) a bona fide fee has been established to implement such a program; 2) specific sites have been identified where parking facilities will be constructed; and 3) detailed criteria and procedures have been established for the annual assessment of parking utilization subject to the completion of a parking study or other technical information.

The details of the In-lieu Fee Parking Program option for meeting on-site parking requirements are outlined in Chapter 6 of this Manual.

### **Other Miscellaneous Requirements:**

Temporary building structures and storage containers shall be prohibited, unless used in conjunction with new construction and/or rehabilitation of a building and/or other infrastructure within the Village Area and approved in writing by the City Planner in advance of use. If a temporary structure is permitted, for storage or other purposes, in conjunction with an approved development project, it will be allowed only until the new development receives approval for occupancy.

Commercial Mixed - Second St. (D-CM-2)

**B. Zone: Commercial Mixed - Second Street (D-CM-2)**

This zone is intended to allow individual properties to develop as either residential, commercial, office professional or, a mixed-use of commercial/office and residential uses. In a mixed-use project, residential uses may be allowed on the same property or in the same structure as a commercial use, with the intent of providing housing opportunities while also mitigating the impacts between commercial and residential uses.

**Commercial** is intended to provide retail uses which serve local residents of the community, while maintaining compatibility with a residential environment. Compared to commercial uses on First Street, those on Second Street are intended to be less visitor-serving and more community-serving. Second Street is also intended to provide a higher proportion of office and business uses, and a somewhat less-intensive activity level.

**Residential**, as a primary use, is intended to provide single-family or multi-family units. Densities of up to 25 dwelling units per acre shall be allowed. Residential in a mixed-use project is limited to no more than half of the development site's allowed floor area. Free-standing residential (residential use only on a development site; no commercial or office use) is permitted, but shall be limited so as not to constitute more than 25% of the zone district's total lot acreage.

It is the intention of the D-CM-2 Zone to allow for significant functional and physical integration of project components of adjacent development sites, as well as of mixed-use projects. Consideration will be given to joint use of parking, common areas, landscaping, specific D-CM-2 types of uses and associated intensities, housing types and sizes of units, and overall architectural design.

The following principal uses shall be permitted in the D-CM-2 Zone and are identified as either a permitted, minor use permit or major use permit. All other principal uses are prohibited.

**1. Permitted Uses:**

- Antique Sales, Retail
- Appliance Sales & Repairs (Household and Small Appliances)
- Arcade Accessory (Non-Adult)
- Art Gallery
- Artisan/Craftsman (sales & studio)
- Bakery (Retail)
- Bank/Savings and Loan
- Barber and Beauty Shop (Cosmetologist)
- Bed and Breakfast
- Bicycle Sales, Rental and Service
- Billiard, Pool Hall
- Blueprinting and Photostating
- Book Sales
- Candy and Confectionery Sales
- Catering Service

Commercial Mixed - Second St. (D-CM-2)

- Cellular Facility (Ord. 91-03)
- Clothing Rental
- Coins, Purchase and Sales
- Computer Sales & Service
- Conservatory of Music
- Convenience Store
- Cosmetic Design Studio
- Costume Rental
- Dairy Store
- Dance Studio
- Day Care Center
- Day Spa, Beauty Treatment Services
- Delicatessen
- Dental Clinic
- Dressmaking Shop/Alterations, Retail
- Dry Cleaning, Retail and Self-Service
- Dwelling Unit, Caretaker-accessory to the principal use (Ord. 91-07)
- Dwelling Unit, One-Family<sup>1</sup>
- Dwelling Unit, Two-Family<sup>1</sup>
- Dwelling Unit, Three-Family<sup>1</sup>
- Dwelling Unit, Multiple Family<sup>1</sup>
- Educational Institution, Public
- Employment Agency
- Family Day Care Home, Large (7 to 12 children) (Ord. 92-28)
- Family Day Care Home, Small (6 or fewer children) (Ord. 92-28)
- Feed and Grain Sales
- Finance Company
- Fire Station
- Florist Shop
- Garden Supplies
- Gift Shop
- Glass and Mirrors, Retail
- Glass Edging and Beveling, associated with retail
- Glass Studio (Stained and others)
- Hair Salon (Ord. 91-03)
- Hat Cleaning and Blocking, associated with retail
- Hat Shop
- Health Food Store
- Hobby Supply Shop
- Home Occupations
- Ice Cream Parlor
- Interior Decorating Service
- Jewelry Sales
- Laundromat
- Lawnmower Sales and Service
- Locksmith
- Market (food)
- Medical/Dental Clinic
- Medical/Dental Office
- Music/Record Store
- Newsstand
- Notions and Dry Goods Store
- Office (Business and Professional)
- Optical Products Sales
- Orthopedic Devices Sales
- Parks and Recreational Areas

<sup>1</sup>Permitted as stand-alone not to exceed 25 du/acre, or in conjunction with a permitted commercial or office use in a mixed-use development. Dwelling units may not exceed 50% of the gross allowable floor area for the development site in a mixed-use development.



Commercial Mixed - Second St. (D-CM-2)

Pharmacy  
Pet Shop/Pet Grooming  
Photocopy Shop  
Photofinishing, Retail  
Photographic Studio  
Photographic Supplies  
Post Office  
Postal Annex, Private Ownership  
Pottery Sales  
Printing  
Public Utilities: Office  
Real Estate Office  
Reducing Salon  
Residential Care, Limited (6 or fewer)<sup>1</sup>  
Restaurant (no alcohol sales; outdoor dining permitted by design review)  
Retail Sales  
Schools, Public: (Elementary, Jr. High, High School)  
Second Hand Dealer (Ord. 91-03)  
Second Hand Store  
Shoe Repair/Sales  
Sidewalk Dining (encroachment permit required)  
Sign Shop  
Silk Screen Printing Shop  
Sporting Goods Sales  
Stationery Store  
Stone (Precious) Manufacturing  
Surf Shop Retail/Rental  
Swimming Pool Supplies/Equipment Sales  
Tailor Shop  
Telephone Answering Service  
Veterinarian  
Video Sales & Rental  
Wearing Apparel Shop  
Yoga, Pilates, Martial Arts or Similar group Exercise Class

**2. Minor Use Permits:**

Arcade Primary (Non-Adult)  
Candle Manufacturing  
Charitable Bins and Depositories (accessory)  
Day Care Center  
Drug Store  
Dwelling Unit, one family, stand-alone<sup>2</sup>  
Dwelling Unit, two family, stand-alone<sup>2</sup>  
Dwelling Unit, three family, stand-alone<sup>2</sup>  
Dwelling Unit, multiple family, stand-alone<sup>2</sup>  
Furniture Sales  
Gas Distribution, Meter and Control Station  
Horticultural Services  
Hotel/Motel  
Laboratories (medical, dental)  
Nurseries, Horticultural  
Outdoor Sales/Swap Meet (Ord. 91-03)  
Residential Care, Limited (6 or fewer), stand alone<sup>2</sup>  
Swap Meet/Outdoor Sales (Ord. 91-03)

<sup>2</sup>Stand-alone residential development, up to 25 du/acre per site, is allowed subject to the finding that the acreage of all residential-only land use within the Second Street D-CM-2 zone does not exceed 25% of all land acreage in the zone. It is intended that stand-alone residential use be spread more or less evenly throughout the zone, and not be concentrated so as to preclude the predominant commercial character of lands within the D-CM-2 zone.

Commercial Mixed - Second St. (D-CM-2)

Tile Sales  
Upholstery Installation

**3. Major Use Permit:**

Automobile Electric and Tune-up  
Automobile Rental (Office only)  
Automobile Repair (no auto body or painting)  
Cellular Facility (Ord. 91-03)  
Church/Temple/Religious Institution  
Club, Athletic or Recreational  
Club, Private  
Courts, Commercial (Badminton, Tennis, Racquetball, Others)  
Convent and Monastery  
Educational Institution, Private  
Electrical Distribution Substation  
Emergency Residential Shelter  
Floor Covering, Retail  
Garage, Public parking  
Garment Manufacturing  
Gymnasium, Public Health Club  
Laboratories (biochemical, film, other)  
Library  
Massage Parlor  
Medical Equipment Sales  
Museum  
Parcel Delivery Service  
Parking Lot, Commercial  
Police/Sheriff Station/Jail  
Radio/Television Broadcasting Studio  
Radio/Television Transmitter  
Recording Studio  
Recreational Facilities Private  
Recreational Facilities Public  
Residential Care, General (7 or more)  
Restaurant (w/alcohol sales; outdoor dining permitted)  
Schools, Private: (Elementary, Jr. High, High School)  
Schools, Technical  
Scientific Instruments Sales

**4. Development Standards:** Except as specified below, the development standards under Chapter 30.20 of the Encinitas Municipal Code for the GC Zone shall apply under the D-CM-2 Zone for commercial office, or mixed-use development. Except as otherwise specified below, stand-alone residential shall comply with the standards of Chapter 30.16 of the Encinitas Municipal Code for the R-25 Zone. In case of conflict between regulations, those specified below shall prevail.

- a. **Net Lot Area:** 4,000 net square feet
- b. **Lot Width:** 40 feet
- c. **Lot Depth:** 100 feet
- d. **First Story**

Commercial Mixed - Second St. (D-CM-2)

- Front Yard Setback:** 0 feet<sup>1</sup>
- e. Second Story Front Yard Setback:** 10 feet
- f. Side Yard Setback for each interior side:** 0 feet<sup>1</sup>
- g. First Story Street Side Yard Setback:** 0 feet<sup>1</sup>
- h. Street Side Yard Setback:** 10 percent width of the lot with a maximum of 10 feet.
- i. Rear Yard Setback:** 0 feet<sup>2</sup>
- j. Lot Coverage maximum percentage:** 75 percent

<sup>1</sup>Five-foot setback for residential uses.

<sup>2</sup>Ten (10) feet if the rear yard abuts a residential zone or for stand-alone residential development.

- k. Building Height Maximum:** 30 feet or two stories, whichever is less (See Section 30.20.010C6 of the Encinitas Municipal Code); except that, if a development project includes one or more dwelling units guaranteed affordable to low or very low income households as defined in the Encinitas Housing Element, the maximum building height is 33 feet or three stories, whichever is less.
- l. Floor/Area Ratio Maximum:** .65
- m. Off-Street Parking:** Off-street parking facilities shall be designed so that a car within a parking facility will not have to enter a street to move from one location to another within the same parking facility. For additional requirements, see Parking Requirements, Section 3.3.

**n. Landscaping:**

1. A min. of 10% of the area of a development site shall be landscaped. Pedestrian plazas which include site amenities such as sculpture, fountains, planters, enhanced paving, etc. may be counted as landscaping (See Section 4.8, Landscape Guidelines).
2. Landscaping in parking areas shall be predominantly trees to provide shade and visual relief. Parking areas located off of the alley, behind a building, shall not require landscaping providing the site landscaping requirement has been met.
3. Where feasible, landscaping in commercial and office professional parking areas shall include one fifteen (15) gallon tree for every four (4) parking spaces evenly distributed throughout the parking area.
4. Where feasible, site landscaping shall include a combination of trees, shrubbery, vines, and groundcovers, all of which shall be drought-tolerant;
5. All landscaped areas shall be watered by an automatic irrigation system and regularly maintained in a healthy and thriving condition free of weeds, trash, debris;
6. Street trees, in accordance with the specific plan Street Tree Master Plan, shall be provided along all street frontages.
7. Additional Landscape Requirements
  - i. All new and rehabilitated landscaping projects that require a permit shall comply with the City's Water Efficient Landscape Ordinance (92-40) except for the following:  

Exemptions

    - (1) Homeowner-provided landscaping at single-family and multi-family projects.
    - (2) Registered historical sites.
    - (3) Ecological restoration projects that do not require a permanent irrigation system.
    - (4) Any project with a landscaped area less than 1,000 square feet.

Commercial Mixed - Second St. (D-CM-2)

- ii. Street trees shall be provided per the Street Tree Master Plan, see Chapter 7.0.
- iii. All trees in paved areas shall be provided with "deep root" barriers and a 4' diameter tree well with automatic irrigation and metal grates.
- iv. Soils testing for plant suitability is recommended on each site, with the resulting laboratory recommendations to be followed in terms of soil amendment specifications in landscape plans.

9. Installation and Maintenance

All required landscaping shall be properly installed, irrigated, inspected and permanently maintained prior to use inauguration or the issuance of a Certificate of Occupancy, whichever first occurs. The landscaping and irrigation shall be inspected as stated in the procedures and policy for landscaping and irrigation.

Maintenance of approved landscaping shall consist of regular watering, mowing, pruning, fertilizing, clearing of debris and weeds, the removal and replacement of dead plants, and the repair and replacement of irrigation systems and integrated architectural features.

**o. General Site Planning:** In the D-CM-2 Zone, the following development standards shall apply:

- 1. Site planning shall include consideration of adjoining parcels in terms of building configuration, building design, and scale of landscaping materials, circulation/parking configuration and access.
- 2. Except as otherwise specified in Section 3.2.3 B-1, all uses shall be located within an enclosed building unless authorized by a Minor Use Permit.
- 3. Stand-alone residential shall not exceed twenty-five (25) percent of the total gross acreage of the subdistrict area.
- 4. Density for each stand-alone residential project shall not exceed 25 dwelling units per net acre.

**p. Mixed Use Site Planning:** In the D-CM-2 Zone, the following development standards shall apply for projects which mix residential with commercial uses on the same development site:

Commercial Mixed - Second St. (D-CM-2)

1. Residential uses shall be located above and/or behind the primary commercial or office professional use.
  2. Separate building entrances shall be required for residential and commercial/office professional uses when occupying the same structure (This does not preclude secondary interior access between commercial and residential uses, in addition to the required separate accesses, provided that residential access to or through commercial uses avoids unsafe commercial areas).
  3. Residential uses shall not exceed 50 percent of the gross building floor area for the development site; except that, when a development project includes one or more dwelling units guaranteed affordable to low or very low income households as defined in the Encinitas Housing Element, residential uses may exceed 50 percent of the gross building floor area by the amount of gross floor area of the guaranteed affordable unit(s).
- q. **Building Design and Use:** In the D-CM-2 Zone, the following development standards shall apply:
1. All buildings are encouraged to minimize energy consumption, using such features as:
    - Cogeneration
    - Solar access
    - South facing windows with eave coverage
    - Double glazed windows
    - Deciduous shade trees
    - Good ventilation
    - Efficient lighting
    - Day lighting
  2. **Sidewalk Dining (commercial or mixed use):**
    - i) Outdoor dining areas that encroach into the public right-of-way shall require an encroachment permit and must maintain a minimum 4-foot clearance which excludes planter areas, fire hydrants, street lights, other street furniture, and on-street auto parking overhang.
    - ii) Encroachment permits for outdoor dining within public right-of-ways require the following information:
      - a) Location and brief description of the proposed encroachments.

Commercial Mixed - Second St. (D-CM-2)

- b) Provide a site plan showing local conditions, including street and sidewalk width, and location of all street furniture, acceptable to the City Engineer.
  - c) Specify the number of tables and seating requested and not to exceed amount.
  - d) Permit may be revoked by the city after a 30-day notice.
  - e) Hours of operation shall be pre-determined through the encroachment permit and limited to an associated adjacent eating and drinking establishment.
  - f) No sound amplification device, musical instrument or sound reproduction device shall be operated or used with outdoor dining, and outdoor lighting shall comply with performance standards, and be approved by the City.
  - g) Prior to issuance and approval of a permit, a finding shall be made by the Office of the Community Development Director that the outdoor dining will not adversely affect the neighborhood nor be detrimental to persons residing, visiting or working in the area.
  - h) A liability insurance policy naming the city as additionally insured for \$1,000,000 shall be on file with the City Engineer.
- r. **Access, Circulation, and Parking:** In the D-CM-2 Zone, the following development standards shall apply:
- 1. Where feasible, vehicular access shall be taken from the alley rather than from Second Street.
  - 2. Where vehicular access off of Second Street is necessary, access shall be limited to one point for each 300 feet of frontage or one point per parcel if frontage is less than 300 feet.

Commercial Mixed - Second St. (D-CM-2)

3. All alleys shall be retained for vehicular access, and shall not be vacated.
  4. Access points to adjoining lots shall be shared wherever feasible.
  5. Major street access points to centers or groups of parcels sharing a single point of ingress and egress shall be coordinated with openings in access points on the opposite side of the roadway;
  6. Sidewalks or other safe pedestrian walkways shall be located along Second Street;
  7. Where feasible, parking areas shall be located off the alley or to the rear of a building. Parking areas abutting streets shall be screened by earth mounding, landscaping, low decorative walls, lowering the grade of the parking area below the street grade, or a combination of any of these methods.
- s. **Auxiliary Structures/Equipment and Utilities:** In the D-CM-2 Zone, the following development standards shall apply:
1. All roof appurtenances including, but not limited to air conditioning units, and mechanical equipment shall be shielded and architecturally screened from view from on-site parking areas, adjacent public streets and adjacent properties;
  2. All ground-mounted mechanical equipment, including heating and air conditioning units, and trash receptacle areas, shall be screened from view;
  3. All utility connections shall be designed to coordinate with the architectural elements of the site so as not to be exposed except where necessary. Pad-mounted transformers and/or meter box locations shall be included in the site plan with an appropriate screening treatment. All new and existing utility connections within the boundaries of the project shall be placed underground, per Municipal Code Section 23.36.120. Transformer, terminal boxes, meter cabinets, pedestals, ducts and other facilities may be placed above ground provided they are screened.
  4. All locations for trash and recyclable material storage visible from adjacent public streets and/or public view shall be enclosed by a six-foot high masonry wall with view-obstructing gates. Where feasible, trash and recyclable material receptacles shall be located off of the alley behind the building.



Commercial Mixed - Second St. (D-CM-2)

5. Outdoor storage areas approved by Minor Use Permit shall be located to the rear of a building and shall be entirely enclosed by solid masonry walls not less than six (6) feet in height to adequately screen such areas from view. Reasonable substitutions such as masonry, wood or metal pilasters with wrought iron and view obscuring material may be approved during Design Review. This requirement does not apply to approved temporary uses and approved outdoor sales areas.
- t. **Lighting:** In the D-CM-2 Zone, the following standards shall apply:
  1. Exterior lighting shall be architecturally integrated with the building(s) on site;
  2. All light sources shall be shielded in such a manner that the light is directed away from streets or adjoining properties. Freestanding lamp posts shall be no taller than eighteen (18) feet. The intensity of light at the boundary of the development site shall not exceed seventy-five (75) foot lamberts from a source of reflected light.
- u. **Architectural Features, Accessory Structures, Walls/Fences:** In the D-CM-2 Zone, the following development standards shall apply:
  1. Accessory structures shall not be located in front of or on the street side of the main building(s);
  2. Accessory structures shall meet the rear or side yard setback requirements for main buildings;
  3. Architectural features, such as canopies, eaves, steps, balconies, stairways, and others may project into any required minimum setback areas for residential uses to the extent allowed by Uniform Building Code (UBC);
  4. Freestanding walls or fences between any street frontage and a principal building on site shall not exceed four (4) feet in height. Where a retaining wall is used to increase usable lot area, a wall or fence not exceeding four (4) feet in height also may be erected, provided that the wall or fence is set back a minimum of five (5) feet from the retaining wall.
  5. The use of chain link, barbed wire and razor wire for fencing within public view shall be prohibited.
5. **Signage Regulations:** Except as otherwise specified below, the mandatory signage standards, and review and approval procedures under Chapter 30.60 of the Encinitas Municipal Code shall apply to signs under the D-CM-1 zone.

- a. **Freestanding A-frame signage:** In addition to other types of permitted signage, freestanding A-frame signs shall be allowed.
  1. No more than one (1) A-frame sign is permitted per business.
  2. No A-frame sign shall be illuminated, externally or internally.
  3. No A-frame sign shall be permanently affixed to the ground or other object, but shall be portable, and shall be placed out only during the operating hours of the business it is advertising.
  4. No A-frame sign shall be placed within the vehicle parking or lanes, or within a pedestrian walkway so as to leave less than four (4) foot width of passage clearance.
  5. No A-frame sign shall exceed 2 1/2 feet in height or 2 feet in width.
  
- b. **Public sidewalk Placement of A-frame Signs:** A-frame signs which encroach into the public right-of-way are subject to prior issuance of an encroachment permit by the City. In addition to the above standards for A-frame signs the following applies:
  1. The placement of the A-frame sign must maintain a minimum of four (4) foot clearance of passage, which excludes planter areas, fire hydrants, street lights, street furniture, on-street auto parking overhang, and any other approved sidewalk dining area.
  2. Encroachment permits for public sidewalk A-frame signs require the submittal of the following information and are subject to the following limitations:
    - i) Submit a brief description of the proposed encroachment and its proposed location on the public sidewalk.
    - ii) Submit a site plan showing local conditions, including street and sidewalk width, and location/dimensions of all street furniture and elements on the sidewalk, acceptable to the City Engineer.

Commercial Mixed - Second St. (D-CM-2)

- iii) A liability insurance policy naming the City as additionally insured in the amount of \$1,000,000 shall be on file with the City Engineer.
- iv) An issued encroachment permit may be revoked by the City after a thirty (30) day notice.

6. **Design Recommendations:** In the D-CM-2 Zone, the Specific Plan Design Recommendations shall be considered in addition to the development standards in this section. The development standards shall take precedence if a conflict exists between a development standard and a design recommendation.

C. **Zone: Visitor Commercial Mixed (D-VCM)**

This zone is intended to primarily provide for commercial activities such as hotel/motel uses, campgrounds, eating and drinking establishments, food and beverage retail sales (convenience), participant sports and recreation, entertainment uses and other principal visitor-serving uses which are specifically intended to serve the needs of persons visiting the City. All other permitted or conditionally permitted uses specified in the Specific Plan for areas zoned Visitor Commercial Mixed (D-VCM), such as business and professional office and residential uses shall be considered ancillary uses to the principal allowable uses. Ancillary or non-principal uses and required off-street parking shall not occupy or utilize more than 30 percent of the ground floor area. Development offering mixed visitor-serving commercial or office (business or professional) uses with restricted residential use may be allowed, with the intent of providing housing opportunities and of mitigating the impacts between new mixed visitor-serving commercial/office and residential uses. *Amended 5/11/95 (Ord. 95-04)*

There are several separate parcels under this zone. However, development is intended to be visually and functionally integrated throughout the zone district, with integrated parking, pedestrian access and other elements.

**Visitor-Serving Commercial** is intended to provide for commercial activities which are specifically intended to serve the needs of persons visiting the City for business or recreational purposes.

**Office Professional** is intended to provide primarily for the development of professional and business offices.

**Residential** is intended to provide for multiple-family residential including apartments, condominiums, and senior housing, with a maximum density of 18 units per net acre.

The following principal uses shall be permitted in the D-VCM Zone and are identified as either a permitted, minor use permit or major use permit. All other

## City of Oceanside Mixed Use Standards

conducted independently or concurrently with the Child Care Facility Permit.

- B. Where Permitted and Development Standards. A child care facility is permitted in the RE, RS, RM, RH, RT, CN, CC, CG, CL, CR, CV, CS, CS-HO, CS-L, CP, IL, IG, IP, A, OS, PS and the D Districts if it conforms to the standards of the adopted Child Care Guidelines and other applicable standards of the Zoning Ordinance.

### 3042 Mixed-use Plans

- A. Any mixed-use development with commercial and residential land uses combined on one site requires the submission of a "Mixed-Use Development Plan" and Conditional Use Permit. Base District Regulations and Property Development Regulations for Residential Districts and Commercial Districts shall serve as the guideline for a mixed-use development. Any deviations from the development regulations shall be evaluated based upon the merits of the development plan. In addition, the "Mixed-Use Development Plan" is subject to the following requirements.

#### Specific Purposes

The specific purposes of the Mixed-Use Plan are to:

- A. Establish a procedure for the development of parcels as a mixed-use development.
- B. Ensure orderly and thorough planning and review procedures that will result in quality urban design.
- C. Encourage variety and avoid monotony in developments by allowing greater freedom in selecting the means to provide access, light, open space, and amenities.
- D. Provide a mechanism whereby the City may authorize desirable developments consistent with the General Plan without inviting speculative rezoning applications, which, if granted, often could deprive other owners of development opportunities without resulting in construction of the proposed facilities.
- E. Encourage the preservation of serviceable existing structures of historic value or artistic merit by providing the opportunity to use them imaginatively for purposes other than that for which they were originally intended.
- F. Encourage the assembly of properties that might otherwise be developed in unrelated increments to the detriment of surrounding neighborhoods.

#### **Land Use Regulations**

No use, other than a use existing at the time of establishment of a Mixed-Use Plan, shall be permitted in a Mixed-Use Plan except in accord with a Mixed-use Plan. Any permitted or conditional use authorized by this ordinance may be included in an approved Mixed-Use Plan, consistent with the underlying General Plan land use designation(s).

### **Development Regulations**

- A. Minimum Area. The area of a Mixed-Use Plan shall be 1-acre. However, smaller sites may be approved if found to meet the intent and purposes of a Mixed-Use Plan.
- B. Residential Unit Density. Residential unit types included in a Mixed-Use Plan shall not exceed 29 dwelling units per acre for the total area of parcels designated for mixed-use.
- C. Performance Standards. The performance standards prescribed by Section 3024 shall apply.
- D. Design. The Mixed-Use Plan shall be an integrated plan. Uses shall be placed as to share parking, traffic circulation, open space etc.
- E. Other Development Regulations. Other development regulations shall be as prescribed by the Mixed-Use Plan. The development standards of an existing overlay district may be modified by the Mixed-Use Plan if demonstrated to promote superior design.

### **Initiation**

A Mixed-Use Plan shall be initiated by a property owner or authorized agent. If the property is not under a single ownership, all owners shall join in the application, and a map showing the extent of ownerships shall be submitted with concept plans and materials.

### **Required Plans and Materials**

An application for a Mixed-Use Plan shall include a Mixed Use Development Plan incorporating the materials required for design review by Article 43. The Planning Director also may require one or more of the following items, based on the type, location, and potential impacts of proposed development:

- A. A map showing proposed plan boundaries and the relationship of the district to uses and structures within a 300-foot radius of the district boundaries.
- B. A map or aerial photo of the proposed plan and 100 feet beyond its boundary showing sufficient topographic data to indicate clearly the character of

the terrain; the type, location, and condition of mature trees and other natural vegetation; and the location of existing development.

- C. The proposed pattern of land use, with acreage and residential density computations.
- D. The proposed street and lot pattern.
- E. Any other informational items deemed necessary by the Planning Director in order to fully analyze and review the proposed development.

#### **Planning Commission Action**

The Planning Commission shall consider an application for Mixed-Use Plan and Mixed-Use Development Plan accompanying the application. The Planning Commission may approve, approve with conditions or deny a proposed Mixed-Use Development Plan.

- A. Required Findings. The Planning Commission may approve or conditionally approve a Mixed-Use Plan and a Mixed-Use Development Plan, upon finding that:

- 1. The Mixed-Use Development Plan is consistent with the adopted Land Use Element of the General Plan and other applicable policies and are compatible with surrounding development;
- 2. The Mixed-Use Development Plan will enhance the potential for superior urban design in comparison with the development under the base district regulations that would apply if they were not approved;
- 3. Deviations from the base district regulations that otherwise would apply are justified by compensating benefits of the Mixed-Use Development Plan; and
- 4. The Mixed-Use Plan and Mixed-Use Development Plan includes adequate provisions for utilities, services, and emergency vehicle access; and public service demands will not exceed the capacity of existing and planned systems.

#### **Status of Mixed-Use Plan and Mixed-Use Development Plan**

- A. Effective Date. A Mixed-Use Plan and Mixed-Use Development Plan shall be effective on the date of their approval.
- B. Lapse of Approvals. A Mixed-Use Plan and Mixed-Use Development Plan shall expire two years after the effective date of approval or conditional approval

unless:

1. A grading permit has been issued and grading has been substantially completed and/or a building permit has been issued and construction diligently pursued; or
2. An occupancy permit has been issued; or
3. The approval is extended; or
4. In cases where a Mixed-Use Plan and Mixed-Use Development Plan is approved concurrently with a Tentative Map, and a Final Map or Parcel Map is recorded, the Mixed-use Plan and Mixed-Use Development Plan shall be effective for an additional 24 months from the date of recordation of the Final Map or Parcel Map.

An approved Mixed-Use Plan and Mixed-Use Development Plan may specify a development staging program exceeding two years, provided the development staging program is reviewed and approved by the Planning Commission as a part of the Mixed-Use Plan and Mixed-Use Development Plan.

- C. Time Extension. The Commission may extend a Mixed-Use Plan and Mixed-Use Development Plan for a period or periods not to exceed a total of three years, if it finds the time extension is consistent with the purposes of this Article. Application for a time extension shall be made in writing to the Planning Director not less than 30 days or more than 90 days prior to expiration. Denial of a request for time extension of a Mixed-Use Plan and Mixed-Use Development Plan may be appealed using the procedures as prescribed in Article 46.
- D. Changed Plans. A request for changes in conditions of approval of a Mixed-Use Plan and Mixed-Use Development Plan, or a change to the Mixed-Use Plan and Mixed Use Development Plan that would affect a condition of approval, shall be treated as a new application. The Planning Director may waive the requirement for a new application if the changes requested are minor, do not involve substantial alterations or addition to the plan or the conditions of approval, and are consistent with the intent of the project's approval or otherwise found to be in substantial conformance. An application for approval of a new Mixed-Use Plan and Mixed-Use Development Plan or for a revision of a Mixed-Use Plan and Mixed-Use Development Plan shall be considered by the Planning Commission at a public hearing with notice given as prescribed for a Development Plan in Article 43.

includes, but is not limited to, heating, air conditioning, refrigeration equipment, plumbing lines, duct work, and transformers. Satellite receiving antennas shall be screened as prescribed by Section 3025. Screening of the top of equipment may be required by the Planning Director, if necessary to protect views from an R district.

- B. Utility Meters. Utility meters shall be screened from view from public rights-of-way, but need not be screened on top or when located on the interior side of a single-family dwelling. Meters, in a required front yard or in a corner side yard adjoining a street, shall be enclosed in subsurface vaults.
- C. Screening Specifications. Screening materials may have evenly distributed openings or perforations averaging 50 percent of the surface area and shall effectively screen mechanical equipment so that it is not visible from a street or adjoining lot.

### **3022 Solid Waste/Recyclable Material Storage Areas**

Solid waste/recyclable material storage areas shall be provided prior to occupancy for all commercial, industrial, and public/semipublic uses, and for multiple family residential developments of four or more units. Locations, horizontal dimensions, materials, and general design parameters, of solid waste/recyclable material storage areas shall be as prescribed by the Planning Director and City Engineer.

### **3023 Underground Utilities**

All existing and new electrical, telephone, CATV and similar distribution lines providing direct service to a development site shall be installed underground within the site and along the site's frontage in the public right-of-way if frontage improvements are required to develop the site. The underground utilities provisions of the City of Oceanside Subdivision Ordinance shall apply to all projects requiring development plan approval.

### **3024 Performance Standards**

The following performance standards shall apply to all use classifications in all zoning districts:

- A. Noise. All uses and activities shall comply with the provisions of the Oceanside Noise Regulations (City Code).
- B. Vibration. No use, activity, or process shall produce vibrations that are perceptible without instruments by a reasonable person at the property lines of a site.



- C. Dust and Odors. No use, process, or activity shall produce objectionable dust or odors that are perceptible without instruments by a reasonable person at the property lines of a site.
- D. Glare.
1. From Glass. Mirror or highly reflective glass shall not cover more than 20 percent of a building surface visible from a street unless an applicant submits information demonstrating to the satisfaction of the Planning Director that use of such glass would not significantly increase glare visible from adjacent streets or pose a hazard for moving vehicles.
  2. From Outdoor Lighting. Parking lot lighting shall comply with Article 31. Security lighting in any district may be indirect or diffused, or shall be shielded or directed away from an R district within 100 feet. Lighting for outdoor court or field games within 300 feet of an R district shall require approval of a use permit, unless included as part of an approved Master Plan.
- E. Combustibles and Explosives. The use, handling, storage, and transportation of combustibles and explosives shall comply with the provisions of the Oceanside Fire Prevention Code (City Code) and any other applicable laws.
- F. Radioactive Materials. The use, handling, storage, and transportation of radioactive materials shall comply with the provisions of the California Radiation Control Regulations (California Administrative Code, Title 17), the Oceanside Fire Prevention Code (City Code), and any other applicable laws.
- G. Hazardous and Extremely Hazardous Materials. The use, handling, storage, and transportation of hazardous and extremely hazardous materials shall comply with the provisions of the California Hazardous Materials Regulations (California Administrative Code, Title 22, Division 4), Section 3026: Hazardous Materials of this ordinance, and any other applicable laws.
- H. Heat and Humidity. Uses, activities, and processes shall not produce any unreasonable, disturbing, or unnecessary emissions of heat or humidity, at the property line of the site on which they are situated, that cause material distress, discomfort, or injury to a reasonable person.
- I. Electromagnetic Interference. Uses, activities, and

processes shall not cause electromagnetic interference with normal radio or television reception in R districts, or with the function of other electronic equipment beyond the property line of the site on which they are situated.

- J. Evidence of Compliance. The Planning Director shall require such evidence of ability to comply with performance standards as he deems necessary prior to issuance of a zoning certificate.

**3025 Replaced by new Article 39/39A (adopted 10-20-10)**

**3026 Hazardous Materials Storage**

- A. Purpose. The following supplemental regulations are intended to ensure that the use, handling, storage and transport of hazardous substances comply with all applicable requirements of the California Health and Safety Code and that the City is notified of emergency response plans, unauthorized releases of hazardous substances, and any substantial changes in facilities or operations that could affect the public health, safety or welfare. It is not the intent of these regulations to impose additional restrictions on the management of hazardous wastes, which would be contrary to state law, but only to require reporting of information to the City that must be provided to other public agencies.
- B. Definitions. For purposes of this section, "hazardous substances" shall include all substances on the comprehensive master list of hazardous substances compiled and maintained by the California Department of Health Services pursuant to Section 25282 of the California Health and Safety Code.
- C. Permit Required. A use permit shall be required for any new commercial, industrial, or institutional use or accessory use, or major addition or alteration to an existing use, that involves the manufacture, storage, handling, or processing of hazardous substances in the following quantities and would require permits as hazardous chemicals under the Uniform Fire Code adopted by the City:
1. 120 Gallons or more of corrosive liquids;
  2. 1000 pounds or more of oxidizing materials;
  3. 500 pounds or 500 gallons or more of Nitromethane;
  4. 1 ton or more of Ammonia Nitrate or Ammonia Nitrate Fertilizer; and,

**1130 CN, CC, CG, CL, CR, CS, CV, and CP Districts: Property Development Regulations**

The following schedule prescribes development regulations for the CN, CC, CG, CL, CR, CS, CV, and CP districts. The columns prescribe basic requirements for permitted and conditional uses in each district. Letters in parentheses in the "Additional Regulations" column reference regulations following the schedule or located elsewhere in the zoning ordinance.

**CN, CC, CG, CL, CR, CS, CV, and CP DISTRICTS  
DEVELOPMENT REGULATIONS**

	CN	CC	CL CG	CR CS CV	CP	Add. Reg.
<b>Residential Development</b>						(A) (X)
<b>Nonresidential Development</b>						(X)
Minimum Lot Area (sq. ft.)	10,000	10,000	10,000	10,000	10,000	(B) (C)
Minimum Lot Width (ft.)	-	-	-	-	-	(C)
Minimum yards:						
Front (ft.)	15	15	15	15	20	(D) (F)
Side (ft.)	-	-	-	-	-	(D) (E) (F)
Corner Side (ft.)	10	15	10	10	20	(D) (F)
Rear (ft.)	-	-	-	-	10	(D) (E) (F)
Maximum Height of Structures (ft.)	50	50	50	50	50	(G) (H) (V) (W)
Maximum Lot Coverage	50%	50%	75%	50%	50%	
Maximum Base FAR	1.0	1.0	1.0	1.0	1.0	
Maximum FAR Bonus	0.2	0.5	0.2	0.2	0.5	(I)
Minimum Site Landscaping	15%	15%		15%	15%	(J) (K)
< 5 acres			10%			
> 5 acres			15%			

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**C Commercial Land Use Regulations (continued)**

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	CN	CC	CG	CL	CR	CV	CS- HO	CS -L	CP	Add. Reg.
<b>Nonconforming Uses</b>										(J)
<b>Temporary Uses</b>										
Agricultural Special Sales, Seasonal	P	P	P	P	P	-	P	P	-	(U)
<b>Mixed Uses</b>	L-33	L-33	L-33	L-33	L-33	L-33	L-33	L-33	L-33	

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**C Districts: Additional Use Regulations**

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- L-1 Not permitted on ground level.
- L-2 Permitted as part of a mixed-use project, occupying less than 25 percent of the gross floor area.
- L-3 Allowed with Conditional Use Permit, subject to the requirements of Article 36 of this Ordinance.
- L-4 Permitted as a secondary use occupying no more than 1000 square feet in a building; Administrative Use Permit required for more space up to 5 percent of gross floor area of a building.
- L-5 An Administrative Conditional Use Permit is required for convenience stores. Convenience stores shall not be located within 500 feet of a site occupied by a public or private school, park or recreational facilities, and no exterior vending machines shall be permitted. Convenience stores may be operated only between the hours of 6 a.m. and 10 p.m. Longer hours may be approved with the use permit if the use is found not to have an adverse effect on neighboring uses.
- L-6 Only mortuaries allowed - subject to a Administrative Conditional Use Permit.
- L-7 Conditional Use Permit required. Repair services and automobile washing are prohibited.

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**C Districts: Additional Use Regulations (continued)**

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- L-26 "Small-scale" facilities allowed. All others require the approval of an Administrative Use Permit issued by the Planning Director.
- L-27 "Small-scale" facilities allowed. All others require the approval of a Administrative Conditional Use Permit. "Regulated" uses or card rooms require a Conditional Use Permit.
- L-28 Only "small-scale" facilities allowed. "Regulated" uses or card rooms require a Conditional Use Permit.
- L-29 Glass installation and tinting, cellular phone installation, and stereo installation allowed with an Administrative Use Permit. All others require a Conditional Use Permit.
- L-30 Limited to senior, residential care assisted-living units for persons age 55 and older with the approval of a Administrative Conditional Use Permit.
- L-31 An Administrative Use Permit is required for nurseries having growing or propagation areas greater than 2.5 acres.
- L-32 See Article 30: Section 3041, Child Care Facility. Allowed within the RE, RS, RM, RH, RT, CN, CC, CG, CL, CR, CV, CS, CS-HO, CS-L, CP, IL, IG, IP, A, OS, PS and the D Districts subject to obtaining a child Care Facility Permit issued by the Planning Director and subject to the City's adopted Child Care Guidelines. If new development (construction) is proposed for a child care facility, a Development Plan Review is required. A Development Plan Review may be conducted independently or concurrently with the Child Care Facility Permit review.
- L-33 Mixed use development is permitted and requires the approval of a "Mixed-Use Development Plan" and Conditional Use Permit to determine compatibility with surrounding development and uses in the area.
- (A) See Section 3002: Relocated Buildings (Administrative Use Permit required).
- (B) See Section 3036: Helicopter Takeoff and Landing Areas.
- (C) Limited to facilities on sites 2 acres or less.
- (D) In the CN district, a commercial use having open parking or wall openings within 100 feet of an R district shall not operate between 10 p.m. and 7 a.m. unless authorized by a use permit.



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## REAL ESTATE MARKETPLACE

NORTHWEST

December 10, 2010

### Retail drives successful mixed-use projects

- *Taking a thoughtful, strategic and sustained approach to retail can provide a vibrant, pedestrian-oriented element to most any neighborhood mixed-use project.*

By TOM GRAFF  
Ewing & Clark



Graff

Seattle and some of its neighboring cities have seen a resurgence, and in some cases, a rebirth of vibrant neighborhood retail districts.

The retail ring around downtown — specifically the Belltown, Uptown, Pike/Pine and International District neighborhoods — has been growing steadily for the last 20 years. The second ring around the center city — Ballard, Fremont, Greenlake, University Village, South Lake Union, Madison Valley, Columbia City, Georgetown, Alki and West Seattle Junction — has matured into unique and interesting pedestrian-oriented urban shopping districts over the past decade.

And this steady growth is not limited to Seattle. Mill Creek Town Center, in addition to the downtown areas of Edmonds, Kirkland, Redmond and Issaquah, have also had their pedestrian-oriented retail centers mature and bloom.

We all have seen successful mixed-use projects with vibrant, highly engaged retail that thrives, complements the building with amenities for the tenants, and/or attracts an active pedestrian street life. But we've also seen mixed-use retail disasters, even in these aforementioned neighborhoods, and certainly outside of these successful centers.

Some of the most common disasters: ground-floor commercial space in mixed-use apartments or office buildings that are vacant, never leased, or converted to residential; buildings that have small, inexperienced retailers that don't keep normal hours; or projects that dedicate valuable retail space to unsightly storage or quasi-office uses.

I've been working with developers for 22 years on mixed-use projects in many of these neighborhoods, and know how to successfully design and lease these spaces. Some of these tenants have made it through these entire 22 years. What's the secret to retail success in mixed-use projects? How do you make retail work in neighborhood centers? Why do some neighborhood retail centers work and grow, while others are stagnant?

Here are some key strategies to consider:

**1. Look long and hard at your location.** It is very difficult to create a retail neighborhood out of thin air. If your project has no existing retail across or down the street, or otherwise near your location, the probability of creating vibrant retail on your project is low.

Pedestrian-friendly urban retail needs the synergy of other neighborhood retail to thrive. Consider dropping the retail altogether, or using other methods to achieve your desired height or density if you don't see retail succeeding. The old saying, "If you build it, they will



come” does not apply to retail spaces located in the middle of nowhere.

For example, Seattle’s retail vacancy rate is generally 2 percentage points lower compared to south King County — in 2008, it was 2.81 percent versus 5.29 percent, and in mid-year 2010 it was 5.04 percent versus 7.55 percent — partly because Seattle’s neighborhood retail is better designed and integrated into mixed-use buildings, while single-use buildings on isolated strips are more predominant in south-end retail.

**2. Design your retail space for retail.** The physicality of your space really matters. Retail wants excellent ceiling height, with 12 to 14 feet preferred. Retail likes to be flexible on size, too. A typical benchmark is 1,000 to 1,500 square feet for small neighborhood, soft goods retail, and 1,200 to 2,700 square feet for neighborhood cafes and restaurants.

In 2010, the average marketing time of Seattle retail spaces between 3,000 square feet and 10,000 square feet was 416 days, while spaces between 1,000 square feet and 1,500 square feet had an average marketing time of 176 days.

Corners should be reserved for retail. If you have a thin retail district, keep the retail limited to small areas that can be divided into individual, 1,000-square-foot spaces. Granted, drugstores, specialty food retail, and hardware stores can go larger, but they have specific needs — such as parking and loading — and command lower rent. These conditions make them harder to fit into mixed-use neighborhood projects.

Our retailers also need electricity, HVAC and restrooms. Restaurants want natural gas and require venting needs be met in the building. Awning details, signage guidelines, exterior lighting, landscaping near the retail, and storefront glazing all matter, and should be addressed in the design process. One size does not fit all when it comes to retail storefronts. Tell your architect and builder to allow for some creativity from each retailer on the outside of your building.



Image courtesy Harbor Properties [enlarge]  
**Harbor Properties’ Link Apartments include the 2,700-square-foot Chaco Canyon Cafe and 13,000-square-foot Bright Horizons day-care. Ewing & Clark led a marketing campaign for the Chaco space before the project broke ground. Link opens in April.**

**3. Market your retail from day one.** Buildings with vacant retail spaces look, well, vacant. Buildings with occupied retail spaces, on the other hand, look full and alive. Whether you are marketing apartments, office, or hotel rooms above, you want your building to open with full-tenanted retail. This is incredibly difficult to pull off unless you are working with prospects from the beginning of construction and make it a priority.

**4. Set realistic market rates and provide TI allowances.** It does no one any good to market your retail at unachievable rents and below-standard tenant-improvement allowances. Your retail will sit empty. If you are in a 50-yard-line location, then you can hold out, but we’ve all seen empty retail in prime, central locations.

What is actually achieved by letting your retail sit empty, waiting for a higher rent? The financial key in retail leasing is generally to have the tenants succeed and, in turn, to renew their leases after the first five years. Turnover with the loss of rent, new tenant improvement dollars and new commissions take years to pay back.

One year of lost rent while waiting for a dream tenant and a dream lease rate is something that landlords generally never get back.

**5. Pick your tenants.** Most developers recognize that in neighborhood mixed-use retail centers, you will have a harder time attracting and, moreover, retaining national tenants. National tenants tend to want to be near other national tenants in a mall or a lifestyle setting. I would argue that a greater blending of local retailers in malls and national tenants in neighborhood centers would be healthier for both. But, it’s a difficult push in either direction.

The bottom line is this: Look for tenants you think will succeed in your location, and establish relationships with your retailers. What tenants need is operating capital, experience, passion and infrastructure support from an organization or family, not to mention the landlord. They also require developers to have an understanding of what their customers really want.

For example, the Matador restaurant works in Ballard, but it also had a great shot at working in West Seattle and Redmond. Fresh Bistro in the Mural Apartments building in the West Seattle Junction neighborhood had its start as a catering company in Admiral Junction. The point is, they know their customers.

Chaco Canyon Cafe started in a small, lower-floor space in the University District, moved down the street to the Helix Apartments project, and is soon opening its second location in another Harbor Properties project — Link Apartments in West Seattle. Harbor developed and sustained a working relationship and trust with this retailer, and the results have been predictably successful.

None of this is easy, quick or automatic when it comes to developing retail spaces that work in urban mixed-use buildings. But taking a thoughtful, strategic and sustained approach to retail can provide a vibrant, pedestrian-oriented element to most any neighborhood mixed-use project.

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*As president of Ewing & Clark, Tom Graff has more than 22 years of commercial sales and leasing experience, completing some 500 real estate transactions. He specializes in downtown Seattle investment and retail properties. He also manages the downtown office, which has more than 20 agents and administrative staff.*

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# Keys to Successful Mixed-Use and Infill Development

BY JAMES W. ANDREW AND CHARLES A. LONG



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The Urban Land Institute (ULI) has studied hundreds of real-world examples that illustrate how communities and developers have successfully used mixed-use development to create vibrant places that enhance the quality of life. According to the research, such success relies on communities building new skills and knowledge of the planning and economic solutions associated with infill development.

## Identifying the Challenges

Understanding potential constraints at the outset so that they can be addressed during the planning and entitlement process is a key factor in successful projects. Making such development happen is difficult because of its economic and physical complexity. The primary challenges include:

**Prepare for public-private partnerships where appropriate.** The scope of mixed-use development may require public-private partnerships that leverage private investment to create community benefits. Many communities have used land-secured financing, such as community facilities districts or assessment bonds, to create a fair spread of the cost of new infrastructure among the properties that benefit from it. In some cases, public co-investment in theaters, plazas or parking catalyzes a project's economic vitality. And in other situations, using tax-increment financing can address economic "gap" issues, including the long lead time needed to lease or fill retail space. Understanding the market in the community, the fundamentals of real estate economics and how to responsibly deploy public-sector tools can help an agency determine when using public resources is justified by the net public benefits that are created.

### **Putting It All Together**

Mixed-use development is harder to execute successfully because it is inherently more complicated physically and economically than the type of development many communities have historically experienced. But ULI's research on successful projects shows that mixed-use development, in the context of a community-based plan that addresses the economic, financial and infrastructure issues, makes communities more desirable places to live and responds to the environmental, social and economic challenges facing cities today.

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#### **About the Urban Land Institute**

The Urban Land Institute (ULI) is an international research organization dedicated to providing leadership in the responsible use of land and in creating and sustaining thriving communities worldwide. For more information visit [www.uli.org](http://www.uli.org)

# Mixed-Use Development and Financial Feasibility:

## Part I - Economic and Financial Factors

BY JOSEPH S. RABIANSKI, PH.D., CRE; KAREN M. GIBLER, PH.D.;  
J. SHERWOOD CLEMENTS, III; AND O. ALAN TIDWELL

### INTRODUCTION

MIXED-USE DEVELOPMENTS ARE GROWING IN POPULARITY AS they reportedly can create additional value and outperform standard single-use real estate developments. The synergy and appeal of a quality mixed-use development can increase office and retail prices, rents and occupancy rates as well as accelerate absorption rates. Retail tenants may be willing to pay higher rents because of the increased customer traffic generated by the compatible and complementary uses. Residents and hotel guests are attracted by the convenient location of dining, retail and entertainment venues on the site. However, some locations are not well suited for mixed-used developments, and careful consideration must be given to the financial feasibility of each specific project.<sup>1</sup>

Financial feasibility of mixed-use development occurs when the return on the investment meets or exceeds the required return of the developer and/or the investor. Evaluating financial return on a mixed-use project is more complex than with a single-use development. While some economies of scale may be achieved, the complexity of multiple uses may raise development and operating costs. On the other hand, the synergy of complementary uses may increase cash flows. Financing development is complex and can be more costly than for single-use developments. Measurement tools for such financial success are expressed in different ways. Discounted cash flow analysis generating an internal rate of return is one important tool. Debt service cover and cash-on-cash are also considered useful tools.<sup>2</sup>

Some developers believe that a mixed-use project diversifies risk across the multiple uses.<sup>3</sup> Other developers

believe that the added financial and physical complexity of a mixed-use development, in addition to longer development timelines, heightens the uncertainty associated with the project and thereby increases the level of risk.

Factors influencing the financial success of a mixed-use development can be grouped in the categories of economic and market, financial, physical and public issues.<sup>4</sup> This article will focus on economic and financial factors in the professional literature.

### ECONOMIC AND MARKET FACTORS

#### The Local Economy

A general economic precondition for the financial success of a mixed-use project is a strong local economy. Employment, population and consumer disposable income should be growing. This growth benefits both tenants and customers for the uses on the site. A mixed-use project developed in a stagnant or declining local economy can have problems attracting quality tenants, an adequate number of customers and rent levels high enough to ensure financial success. A stagnant or declining local economy can be perplexing for a community that wants a mixed-use development to serve as a catalyst for urban regeneration. However, it may be possible for a certain geographic market area to grow within a larger stagnant local economy. A possible scenario is a high-income geographic market area within a stagnant local economy. The population base of high-income consumers could be underserved (excess demand) for high quality retail goods and convenient personal services such as medical and dental services, accountants, insurance agents and attorneys. In addition, the “empty-nester” portion of the population base desires

## Mixed-Use Development and Financial Feasibility: Part I - Economic and Financial Factors

### About the Authors



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*Karen M. Gibler, Ph.D., is an associate professor of Real Estate at Georgia State University. An active researcher and publisher, Gibler's work has appeared in such journals as Real Estate Economics, Journal of Property Investment and Finance, International Real Estate Review, Journal of Real Estate Research, and Journal of Real Estate Practice and Education. She serves on the editorial boards of several real estate journals as well as the RICS Foundation Research Paper Series. Gibler is the 2009 president of the International Real Estate Society.*



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to remain in the area but also wants to downsize to luxury apartments or condo units. This situation could support a mixed-use development of retail, office and residential units. Another possibility is that a strong tourist component could offset some lack of local economic vitality, especially if hotels and entertainment venues were incorporated into the development.

If the geographic market area is depressed or distressed, whether in a stagnant or declining local economy, public sector assistance, incentives and/or participation need to be considered. Because of the positive externalities that such projects are expected to generate and the risk that developers are taking by investing in a depressed area, these projects will rely heavily on public/private partnerships and financial support. Examples include tax abatement for reimbursement of infrastructure costs,<sup>5</sup> tax increment financing for parking structure construction,<sup>6</sup> and acquisition of land that is then leased to the developer.<sup>7</sup>

#### Market Analysis

Market analysis for a mixed-use development is important in determining the demand and supply of each use

on the site. It should be used in the same manner as in analyzing a single-use project. The analysis should demonstrate sufficient net demand from both on-site and off-site consumers for each use that comprises the development. This is because "... many tenants' businesses will depend on demand from the surrounding area."<sup>8</sup> In addition there are other matters that the mixed-use market analysis should consider.

Market factors are not static; they change with time and other influences.<sup>9</sup> A market analysis should examine trends and forecasts to capture the influence of changing economic, demographic and psychographic factors of demand. "Two keys to success are to do your homework upfront, and to revisit it regularly at every phase and after build-out. These market analyses need to be fine-grained and tailored enough to your locale for you to identify both shifts in preferences and niches that aren't served. This requires a dual-pronged approach to evaluate the market at that point in time and the other to assess how well you're meeting it. As the market changes, so should your project."<sup>10</sup> Market research should be performed

## Mixed-Use Development and Financial Feasibility: Part I - Economic and Financial Factors

early in the developmental process and in some cases, depending on the timing and absorption, updated throughout.<sup>11</sup> These statements apply to single-use as well as mixed-use developments, but the complexity of the analysis increases when the number of uses increases.

A word of caution appears in the following statement: "Just because you have high-end retail doesn't mean you have a high-end condo market."<sup>12</sup> Each use needs to be analyzed with regard to its own demand and supply situation and its relationship to the other on-site uses. Each use on the site must attract sufficient market demand to make it financially feasible. The financial success of one use should not be expected to carry a weak market performance by another use. The contributory value of one use should not subsidize the other uses on the property. The denotation in these statements is clear but connotations are also present. First, while the development is planned and evaluated as a whole, the analyst must also consider the risks of all phases of a multi-phased project not being completed as planned, and some anticipated uses not opening. For example, the project could have retail with residential on top planned for phase one, and offices in a separate building planned as phase two. Over time, the office market could weaken and phase two is either scrapped or changed to more retail and residential.

Second, the completed phases and the active uses should be financially viable. In some situations these phases and the active uses may be financially feasible but not attain the return that was anticipated from the mixed-use project that was planned. The problem/solution partially depends on which use is curtailed or lost. The key retail tenants are those that draw strongly from the traditional retail trade areas but also draw customers from outside traditional trade area boundaries; these tenants cannot be lost. The key residential units must match the demand from the market. If the development plan calls for equal numbers of one-, two- and three-bedroom units in each phase of the project while the market demands only one- and two-bedroom units, vacancy in phase one will be high, making that mix of residential units financially unsuccessful. The planned units must change if phase two is to be built.

The geographic extent of the retail trade areas of each of the anchor tenants and the majority of the non-anchor tenants needs to be considered.<sup>13</sup> Several points to recognize are:

- The retail trade area for each retail tenant is not the same. Some of the shops will attract customers from a greater distance than other shops. Therefore, a three- or five-mile ring could be too much geography for some stores and not enough for other stores.
- The retail trade area for the most prestigious retail store or the major anchor store is not the retail trade area for the project.<sup>14</sup> The anchor store might draw customers from five miles away but the non-anchor tenants may only draw from a two-mile radius because of competition in other retail facilities.
- A properly developed mixed-use property has the potential of attracting customers from outside conventional trade area boundaries. Adding components such as parks, walking trails, playgrounds, ball fields, community centers, and even municipal buildings can create habitual or repetitive traffic flow from outside the traditional boundaries. These elements will give customers more than one reason to come to the development and can ensure that they visit the development on a regular basis. Boutique shops and soft goods retailers, which make mixed-use developments more enjoyable and not just functional, rely on regular visitors from greater distances who are likely to patronize these shops.
- Entertainment venues may draw customers from a geographic market area beyond the market area for the retail uses.

The residential market area for the mixed-use project will more than likely not be the same geographic area as the retail market or trade area, and the office market area may differ from both the retail and the residential areas. The market analysis for a mixed-use development may need to consider a different geography for each specific on-site use.

### On-site Synergy

On-site uses need to be compatible, complementary and mutually supportive for synergy to exist. If synergy is achieved, it increases customer patronage, rent levels, sales volumes, and both the investment value and the market value of the project; thus, the mixed-use project has the potential for creating greater total value than if each of the uses were developed in separate locations. Generating synergy in a mixed-use development requires that each on-site use serve as an amenity for the other uses and the

## Mixed-Use Development and Financial Feasibility: Part I - Economic and Financial Factors

tenants add to the revenue the uses would otherwise generate from the surrounding neighborhood. Occupants of the office space can generate additional sales for the retail facilities and restaurants beyond what would be expected from area residents. Office tenants are likely to use hotels located in close proximity to service their clients. Office and retail workers may speed lease-up of the residential units. To encourage this synergy, the price mix of residential units should provide options for the categories of workers expected in and near the project.

Some of the financial benefits of mixed-use development emanate from the close proximity of a variety of uses with different peak demand times, increasing the hours that facilities are generating income. The development needs to balance night and day activities so that everything on the site does not shut down at the end of the workday.<sup>15</sup> With a “24/7” vitality as an ideal goal, bringing together users who will use facilities at different times of the day or days of the week increases the potential revenue tenants can generate. While office workers might dominate the weekday luncheon crowd at restaurants, residents and hotel guests could form the majority of the dinner and weekend trade.

A clear relationship exists between the prospect of synergy and the size of the mixed-use project. This is a definite direct or positive relationship but it is not known whether the relationship is a straight line, a curve that increases at a decreasing rate, or a curve that increases at an increasing rate. At the low end of the spectrum there is very little or no synergy in a mixed-use development consisting of a single residential unit, a single small-scale retail store and a small-scale office structure located adjacent to each other on a single site. However, as the number of residential units increases, a synergistic effect can benefit the retail store. Then, if the most desired tenant mix in the retail space is achieved, it can benefit the residential units by generating higher rents.

### Relationships with the Surrounding Market

A successful mixed-use project must be compatible with its neighbors and integrated into the community to maximize its economic effect. Strong linkages among on-site and off-site land users are important. Off-site residential growth leads to an increased demand for on-site commercial activity such as retail stores, restaurants

and personal service establishments. The on-site users such as restaurants need to serve potential customers (residential users and office space users) living or working in close proximity to the project.

Competition with existing single-use developments must be considered. For example, building retail space in a mixed-use project near a highly successful super-regional mall surrounded by power centers, community centers and a lifestyle center may lead to high on-site retail space vacancy and a lower rent schedule, while the office and residential components of the project are financially successful. This same reasoning carries over to the on-site housing option. Building more condo units in a saturated local condo market is not a good plan but building apartments could be. Similarly, building a hotel on site could be a problem if the existing market has excess hotel space. Financial success depends on “being able to maximize and mix the uses in a way that responds to market conditions, opportunities and economics...”<sup>16</sup>

### FINANCIAL FACTORS AND ISSUES<sup>17</sup>

A multitude of financial factors can contribute to the success or failure of a mixed-use development. From the planning stage through construction, to lease-up and sale, the developer must maintain focus on the integrated finished living and working environment that the development promises. The complications of multiple ownerships, loans and leases, as well as the possible increased cost of construction and time for development make financial planning and oversight essential.

Financial success depends on minimizing the requirement for initial equity funds. Try to find lenders who are willing to provide high loan-to-value ratios, and try to obtain development incentives from the local jurisdiction.

### Lending Issues

Financing construction is a critical element of the deal. Most developers will want to minimize their initial equity in the property, trying to find lenders willing to provide high loan-to-value ratios; however, equity requirements may be higher than for single-use projects. Larger capital requirements limit the number of development firms and financial institutions that have the resources to undertake a mixed-use project. Development incentives are often available from the local jurisdiction if the government is trying to attract development into a blighted area or

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encourage denser development in urban rather than rural areas or at transit hubs.

Even though mixed-use developments have complicating aspects that make them more difficult for which to structure financing, efficiently priced capital is available for well-conceived mixed-use developments. Lenders' willingness to provide funds may be primarily attributable to:

- Financial success of completed mixed-use developments across the nation;
- Increased lender sophistication;
- Profusion of mezzanine capital and other unsecured debt;
- Municipalities providing cash subsidies, property tax abatements or tax increment financing.

Although capital is available for developers, lenders thoroughly analyze the proposed development as well as the developer. The primary lending criteria used are:

- Adequacy of the developer or the financial partner to deal with any cost overruns;<sup>18</sup>
- Unleveraged yield on cost;
- Economic environment of the location—adequacy of consumers' and the project's ability to achieve market thresholds;
- Risk profile of the development—preleasing, sales and absorption time;
- Developer's history and track record—ability to complete the job on time and according to budget.

Lenders have difficulty determining how well the land uses work synergistically as a single development and estimating the varied sources of the components of income. They tend to evaluate the overall mixed-use project as a weighted average of the individual property types, as collateral that could be sold off separately.<sup>19</sup> Underwriting each land use separately adds to the complexity and cost of the deal.

How the financing is structured will influence the ownership structure. If a single lender is financing the construction, then that lender would prefer a single borrower entity that owns all of the project's components. However, if the project is structured such that each of the land uses is in separate ownership with one asset per

special purpose entity, the developer has a more flexible exit strategy with the ability to sell pieces at different points in the development cycle and repay each construction loan. Exit strategies are being emphasized more by lenders as the investment cycles are different for different uses.<sup>20</sup> Creative solutions include individual financing of multiple land parcels, each with a separate use, or allowing early partial releases of parcels.<sup>21</sup>

When mixed uses are vertical in a single building, staging/phasing and financing issues are more complex.<sup>22</sup> Also, because many mixed-use projects take longer to develop, phasing takes place over a longer period of time.

When a single construction loan has separate take-outs for the project components, the construction lender is dependent upon each of the permanent lenders to accomplish full take-out of the loan. A large permanent loan on the entire property may be more attractive to many lenders; however, individual loans on each property type parcel will give the owner greater flexibility in exit strategies.<sup>23</sup>

In addition to private financing, a variety of public financing tools may be available for mixed-use developments. Tax abatement may be available for reimbursement of infrastructure costs.<sup>24</sup> Parking structure construction may qualify for tax increment financing.<sup>25</sup>

### Costs

Several features of mixed-use projects can lead to higher development costs. Initial planning costs are much larger for mixed-use developments because of the complexity and need to integrate varied uses. In addition, the project may require multiple approvals from local regulators under a variety of zoning, conditional use permits and variance requirements.

Then the builder may be required to comply with different building codes for each use, adding to the complications, costs, and the time required to build the project.<sup>26</sup> Residential uses in mixed-use buildings often have to be designed and constructed to meet commercial standards for handicapped accessibility, fire safety and mechanical requirements. In addition, special design and construction features may be required to reduce incompatibilities between uses.<sup>27</sup> If the development features a pedestrian-friendly design with automobiles relegated to parking structures, then those structures increase cost beyond that of surface parking lots. Alternatively, integration in horizontal mixed-use developments may provide

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efficiencies in terms of infrastructure, utilities and zoning changes.<sup>28</sup>

The cost of land that is suitable to serve a range of uses is generally higher than sites suitable for just one land use. Land carrying costs could be higher or lower than for single-use properties. The larger site requirements and longer construction period add to development and construction costs.<sup>29</sup> The costs could be less for a mixed-use development than those for a very large single-use project (like an office park or a residential subdivision) because the uses are developed earlier. This can avoid cost increases for subsequent phases in the single-use office park.

Owners hope to reduce operating costs through shared services and facilities, such as common area maintenance, parking, building management and marketing.<sup>30</sup> Separate and duplicate technical systems minimize tenants' impact on each other and make operating expense recovery easier for the manager, but add to construction cost.<sup>31</sup>

Another cost consideration for mixed-use developers is the issue of sustainability. By integrating uses and higher density, developments may be able to achieve the same amount of usable space in a smaller footprint. Some sustainable design elements may require additional cost in terms of materials, but they are expected to pay for themselves in increased rents and lower operating expenses. Estimates are that cost premiums that have been at 5–10 percent may have dropped to 2 percent with the steep learning curve that comes with new construction methods. One study showed no significant difference in average costs for green buildings versus non-green buildings.<sup>32</sup> Another study found that an upfront investment of about 2 percent can yield a life cycle savings of ten times that investment if savings through productivity and worker retention are considered in addition to costs of energy, maintenance and repair, but such estimates are subject to considerable debate.<sup>33</sup> In markets where green buildings are available, there is evidence of rental and purchase premiums in both the U.S. and Australia. These buildings use 32 percent less electricity and 26 percent less natural gas, according to analysis of CoStar data.<sup>34</sup>

### Risk

Generally, both lenders and investors have attached a risk premium to mixed-use developments because of the complexity of meshing multiple uses, the increased construction costs, and the longer development horizon.<sup>35</sup> The skill, experience and investment required to develop

all components of a master planned mixed-use project may be beyond most firms, but a skilled developer can organize a team of investors, designers, builders and operators who are interested in each component of the project, allowing the developer to transfer risk during the development and operational stages. Investment in a variety of land uses should provide diversification, and thereby reduce risk. A mixed-use development reduces reliance on a single market sector and the amount of space of a single type that must be absorbed by the market.<sup>36</sup>

### Decision-Making Process

Lenders, investors and developers have asked if mixed-use project development changes the decision-making process. Mixed-use development is much more complex and complicated than single-use development. The development model has changed from the situation in which one person was the expert on all facets of the single-use development to the need for a committee, group or organization of experts to plan and execute the project. Mixed-use development generally moves the industry away from specialization in a property type to a more sophisticated consortium of planning and development.

### CONCLUSION

The professional literature discussing mixed-use development is full of learned opinion about the factors and features that lead to financial success. Much can be learned from these expert opinions. This literature review and its organizational scheme should have revealed some new ideas and perspectives even for the very experienced developer or consultant dealing in mixed-use development. A significant point to realize is that more empirical information is needed. Real estate academics need to determine if there is a statistically significant combination of the factors presented in this article that is strongly associated with financial success of mixed-use developments. ■

*Editor's Note: Part II of this article will be published in the next issue of Real Estate Issues.*

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Midway's CityCentre development in Houston. Photo via flickr/gracerodriguez

Perhaps it should be obvious given their name, but mixed-use developments are rarely carbon copies of one another. Different topographies, financing needs, market aims, and developer visions may make one mixed-use project look entirely different from another just across the street.

That flexibility is exactly what's making mixed-use extremely popular among developers at the moment. At this spring's Urban Land Institute conference in Houston, there were no less than a half dozen sessions devoted to mixed-use.

Beyond single projects, though, mixed-use trends are changing how we conceptualize the development of entire neighborhoods and even cities.

Can we call a suburban master-planned community that intentionally places homes, condos, retail, and office within a huge plot of land mixed-use? Or to receive such a label do projects need to be contained within a single large lot? What about an entire downtown? If architects lay out a comprehensive plan for a central business district (as ULI panelist Scott Johnson's Johnson Fain did in Beijing) that includes several different uses, is it a mixed-use development?

That we can even ask these questions demonstrates just how pervasive the concept has become in both real estate development and urban planning. As urban and suburban residents call for more walkable neighborhoods – replete with homes, recreation, and work places – developers are responding with more and more mixed-use projects.

While these developments are often drastically different in scale and makeup, ULI panelists meeting in Houston argued that if they contain a set of key elements – at least three distinct uses, a connective green space, and the ability to allow users to live/work/play in same area – we should conceptualize of them each as mixed-use. In their discussion of larger trends in mixed-use development, Jonathan Brinsden, CEO of Houston-based Midway Partners and Johnson, a partner at Los Angeles-based Johnson Fain, each highlighted green space and communal space as particularly important to the success of mixed-use developments today. “It’s the glue,” Johnson said.

Programming and social activities at these shared spaces draw people together. According to Johnson these open, public spaces also bring circulation, flow, and flexibility to developments, which allow them to adapt as consumers’ or residents’ needs change over time. Brinsden said that Houston examples at CityCentre and Kirby Grove, currently under construction, are places that offer users a chance to engage both physically and socially. “Wellness is more than fitness,” Brinsden said. It has community and social aspects.”

After showing that mixed-use developments are far more diverse in form than often considered, Brinsden and Johnson challenged the idea that a single-type of user – the millennial – represents the primary user of most mixed-use spaces. “If you build a great place, where people like to be, everybody will show up,” Brinsden said.

The same principle applies to mixed-use development in the suburbs, argued Les Newton of Houston-based Planned Community Developers, which often works in the Houston suburb Sugar Land, and Jim Carman of the Dallas-based Howard Hughes Corp. which has a stake in Houston suburb The Woodlands.

While we often do not think of suburbs as beacons of mixed-use development, Newton and Carman argued that unlike urban areas, suburban mixed-use projects have had to develop more slowly. Before adding commercial and office to suburban areas, most developers “wait for rooftops” in the residential areas to reach a threshold that makes those projects financially sustainable.

As suburban areas grow and become more urbanized, mixed-use areas are cropping up with greater frequency. While suburban mixed-use differs in shape from its urban counterparts, Lawson and Carman say an evolving definition of the term may be needed. A residential subdivision surrounded by a walking path and connected to retail and office by walkable and bikable streets should be considered a mixed-use form, in their estimation.

ULI speakers made it clear that there isn't a one-size-fits-all template for mixed-use development -- or even for its definition. But it's clear this form of growth isn't going away. As Brinsden says, there's just one word needed to summarize the future of mixed-use developments: "imperative."

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American Planning Association - Model Mixed Use Zoning District Ordinance

**4.1 MODEL MIXED-USE ZONING DISTRICT ORDINANCE**

The following model zoning district provisions represent a commercial zoning classification that permits, rather than mandates, a vertical mix of commercial and residential uses within the same building. The district is intended to accommodate a physical pattern of development often found along village main streets and in neighborhood commercial areas of older cities.

Primary Smart Growth Principle Addressed: Mix land uses

Secondary Smart Growth Principle Addressed: Compact building design

**CX1, Neighborhood Commercial, Mixed-Use District**

**101. Purpose**

The purposes of the CX1, Neighborhood Commercial, Mixed-Use District are to:

- (1) Accommodate mixed-use buildings with neighborhood-serving retail, service, and other uses on the ground floor and residential units above the nonresidential space;
- (2) Encourage development that exhibits the physical design characteristics of pedestrian-oriented, storefront-style shopping streets; and
- (3) Promote the health and well-being of residents by encouraging physical activity, alternative transportation, and greater social interaction.

**102. Definitions**

As used in this ordinance, the following words and terms shall have the meanings specified herein:

**“Floor Area Ratio”** means the ratio of a building’s gross floor area to the area of the lot on which the building is located.

**“Gross Floor Area”** is the sum of the gross horizontal areas of all floors of a building measured from the exterior faces of the exterior walls or from the centerline of walls separating two buildings. Gross floor area does not include basements when at least one-half the floor-to-ceiling height is below grade, accessory parking (i.e., parking that is available on or off-site that is not part of the use’s minimum parking standard), attic space having a floor-to-ceiling height less than seven feet, exterior balconies, uncovered steps, or inner courts.

**“Mixed-use Building”** means a building that contains at least one floor devoted to allowed nonresidential uses and at least one devoted to allowed residential uses.

**103. Allowed Uses**

Uses are allowed in “CX1” zoning districts in accordance with the use table of this section.

USE GROUP	Zoning District
Use Category	CX1
Specific Use Type	
P= permitted by-right    C = conditional use    N = Not allowed	

<b>USE GROUP</b>	<b>Zoning District</b>
<b>Use Category</b>	<b>CX1</b>
Specific Use Type	
P= permitted by-right    C = conditional use    N = Not allowed	
<b>RESIDENTIAL</b>	
<b>Household Living</b>	
Artist Live/Work Space located above the ground floor	P
Artist Live/Work Space, ground floor	C
Dwelling Units located above the ground floor	P
Detached House	C
Multiunit (3+ units) Residential	C
Single-Room Occupancy	C
Townhouse	C
Two-Flat	C
<b>Group Living</b>	
Assisted Living	C
Group Home	P
Nursing Home	C
Temporary Overnight Shelter	C
Transitional Residences	C
Transitional Shelters	C
<b>PUBLIC AND CIVIC</b>	
Colleges and Universities	P
Cultural Exhibits and Libraries	P
Day Care	P
Hospital	N
Lodge or Private Club	N
Parks and Recreation	P
Postal Service	P
Public Safety Services	P
Religious Assembly	P
School	C
Utilities and Services, Minor	P
Utilities and Services, Major	C
<b>COMMERCIAL</b>	
Adult Use	N
<b>Animal Services</b>	
Shelter/Boarding Kennel	N
Sales and Grooming	P
Veterinary	P
Artist Work or Sales Space	P
Drive-Through Facility [See comment]	C
<b>Eating and Drinking Establishments</b>	
Restaurant	P

USE GROUP	Zoning District
Use Category	CX1
Specific Use Type	
P= permitted by-right C = conditional use N = Not allowed	
Tavern	C
<b>Entertainment and Spectator Sports</b>	
Small (1–149 seats)	P
Medium (150–999 seats)	N
Large (1,000+ seats)	N
<b>Financial Services</b>	P
<b>Food and Beverage Retail Sales</b>	P
<b>Gas Stations</b>	N
<b>Lodging</b>	
Small (1–16 guest rooms)	P
Large (17+ guest rooms)	C
<b>Medical Service</b>	P
<b>Office</b>	P
<b>Parking, Commercial (Nonaccessory)</b>	C
<b>Personal Service, including health clubs and gyms</b>	P
<b>Repair Service, Consumer, including bicycles</b>	P
<b>Residential Storage Warehouse</b>	N
<b>Retail Sales, General</b>	P
<b>Vehicle Sales, Service, and Repair</b>	N
<b>INDUSTRIAL</b>	
<b>Manufacturing, Production and Industrial Services</b>	
Artisan (hand-tools only; e.g., jewelry or ceramics)	C
<b>OTHER</b>	
<b>Wireless Communication Facilities</b>	
Co-located	P
Freestanding (Towers)	C

**Comment:** *This use table should be refined to reflect local characteristics and planning objectives. The range of uses allowed should be kept as broad as possible in order to ensure that the district is economically viable. Note that this model allows, as a conditional use, drive-through facilities. Drive-through facilities may be appropriate in such areas in connection with banks and pharmacies. Whether to allow them is a policy choice, no different than other policy choices in selecting permitted uses. Also keep in mind that in buildings with residential units, commercial use issues will be largely self-policing because owner associations and builder/developers will ensure that commercial uses in mixed-use buildings will be compatible with upper-story residential uses.*

#### 104. Commercial Establishment Size Limits

The gross floor area of commercial establishments in the CX1 district shall not exceed [15,000] square feet.

**Comment:** *Floor area limits are proposed in the model ordinance to help ensure that allowed commercial uses would be geared toward a neighborhood market area. Some local ordinances impose much more restrictive floor area limits in neighborhood-oriented districts. The limit proposed in this model ordinance would accommodate a modern drug store. If floor area limits are employed, the standards should not be so restrictive as to hamper the economic viability of the district.*

### **105. Indoor/Outdoor Operations**

All permitted uses in the CX1 district must be conducted within completely enclosed buildings unless otherwise expressly authorized. This requirement does not apply to off-street parking or loading areas, automated teller machines, or outdoor seating areas.

### **106. Floor-to-Floor Heights and Floor Area of Ground-floor Space**

(1) All commercial floor space provided on the ground floor of a mixed-use building must have a minimum floor-to-ceiling height of [11] feet.

(2) All commercial floor space provided on the ground floor of a mixed-use building must contain the following minimum floor area:

(a) At least [800] square feet or [25] percent of the lot area (whichever is greater) on lots with street frontage of less than [50] feet; or

(b) at least 20 percent of the lot area on lots with [50] feet of street frontage or more.

**Comment:** *In areas with strong residential real estate markets, ground-floor space is sometimes viewed as an afterthought, particularly when developed by those with a poor understanding of mixed-use development. These types of provisions can help ensure that ground-floor space will meet the needs of future retailers and not sit vacant for years after upper-floor residential units have been leased or sold.*

### **107. Lot Area per Unit (Density)**

The minimum lot area per dwelling unit shall be [1,000] square feet for mixed-use buildings and [1,500] square feet for all other buildings.

**Comment:** *If mixed-use buildings are desired, such buildings should be rewarded with more flexible development standards. The model ordinance allows higher residential densities in mixed-use buildings than it does in single-use buildings.*

### **108. Floor Area Ratio**

The maximum FAR shall be [2.0] for mixed-use buildings and [1.25] for all other buildings.

**Comment:** *To encourage mixed-use buildings, the model ordinance allows higher FARs for mixed-use projects.*



## 109. Setbacks

(1) The entire building façade must abut front and street side property lines or be located within [10] feet of such property lines.

**Comment:** *Rather than mandating a zero-foot “build-to” line for all properties in CX1 zoning districts, this model offers flexibility to accommodate shallow building setbacks that are sometimes necessary to accommodate features such as outdoor seating/display areas, stoops and sidewalk widening. Alternately, it is possible for the ordinance to establish a formula to determine setbacks based on the average setback of buildings in a block face. For an example of this, see Section 108 of the Model Town Center Ordinance (below).*

(2) The minimum rear setback is [0–30] percent of the lot depth.

**Comment:** *The appropriate minimum building setback will depend on lot and development patterns in the area. When alleys abut the rear of CX1 lots, no rear setback may be necessary, except perhaps for upper floors. On the other hand, when CX1-zoned lots will abut the rear property line of residential lots, buildings in the CX1 district should be set back from rear property lines in order to protect the privacy and open feeling expected within residential rear yards.*

(3) No interior side setbacks are required in the CX1 district, except when CX1-zoned property abuts R-zoned property, in which case the minimum side setback required in the CX1 district shall be the same as required for a residential use on the abutting R-zoned lot.

**Comment:** *Most pedestrian-oriented shopping streets are lined with buildings that span the entire width of the lot. The standard proposed here will help reinforce that pattern, while also ensuring that if a CX1 district abuts a residential zoning district, a “typical” residential side yard will be provided.*

## 110. Building Height

The maximum building height shall be [38–50] feet for mixed-use buildings and [35–47] feet for all other buildings.

**Comment:** *Some communities will want to regulate height by stories rather than feet above grade, since stories will allow for greater flexibility in building design. The standards proposed allow greater height for mixed-use buildings than for single-use buildings because mixed-use buildings are required to have taller floor-to-ceiling heights on the ground floor. The proposed standards will accommodate three- or four-story buildings.*

## 111. Off-Street Parking

(1) [Insert off-street parking standards]

(2) No off-street parking is required for nonresidential uses in CX1 districts unless such uses exceed [3,000] square feet of gross floor area, in which case off-street parking must be provided for the floor area in excess of [3,000] square feet.

**Comment:** *Paragraph (2) may be incorporated into paragraph (1). Exempting small retail businesses from compliance with off-street parking requirements will help promote pedestrian-oriented character and encourage use/reuse of storefront retail space. Communities should also*

*examine off-street parking ratios with an eye toward reducing the amount of off-street parking required overall and encouraging shared and off-site parking arrangements.*

(3) Off-street parking spaces must be located to the rear of the principal building or otherwise screened so as to not be visible from public right-of-way or residential zoning districts.

## **112. Transparency**

(1) A minimum of [60–75] percent of the street-facing building façade between two feet and eight feet in height must be comprised of clear windows that allow views of indoor space or product display areas.

(2) The bottom of any window or product display window used to satisfy the transparency standard of paragraph (1) above may not be more than [3–4.5] feet above the adjacent sidewalk.

(3) Product display windows used to satisfy these requirements must have a minimum height of [4] feet and be internally lighted.

## **113. Doors and Entrances**

(1) Buildings must have a primary entrance door facing a public sidewalk. Entrances at building corners may be used to satisfy this requirement.

(2) Building entrances may include doors to individual shops or businesses, lobby entrances, entrances to pedestrian-oriented plazas, or courtyard entrances to a cluster of shops or businesses.

**Comment:** *Requiring ground-floor windows and sidewalk-facing entrances help make for a more pleasing pedestrian environment.*

## **114. Vehicle and Driveway Access**

No curb cuts are allowed for lots that abut alleys.

**Comment:** *Driveways that cross sidewalks disrupt pedestrian movements and pose safety threats. They should be the rare exception in neighborhood-oriented mixed-use districts.*

## **References**

Denver, Colorado, City of. Div. 15. Mixed-Use Districts, Sections 59-301--59-320, website [accessed November 5, 2004]: [www.municode.com/resources/gateway.asp?pid=10257&sid=6](http://www.municode.com/resources/gateway.asp?pid=10257&sid=6)

Fort Worth, Texas, City of. Zoning Code, Mixed Use Sections 4.902, Low-Density Mixed Use [accessed November 5, 2004]: [www.fortworthgov.org/csec/disclaimer.asp](http://www.fortworthgov.org/csec/disclaimer.asp)

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[www.mdp.state.md.us/mgs/infill/InfillFinal\\_1.pdf](http://www.mdp.state.md.us/mgs/infill/InfillFinal_1.pdf)

Orland, Florida, City of. Southeast Orlando Sector Plan Development Guidelines and Standards [accessed November 5, 2004]: [www.cityoforlando.net/planning/deptpage/sesp/sespguid.htm](http://www.cityoforlando.net/planning/deptpage/sesp/sespguid.htm)



**Architectural Guild of South Orange County**

**Dana Point San Clemente San Juan Capistrano**

**Advice to the City of San Clemente  
regarding Building Heights for the  
Proposed MU3.2 Zone**

Prepared by the  
Architectural Guild of South Orange County  
April 13, 2015

## PROLOGUE

The Architectural Guild of South Orange County is a non-profit business league comprised of architects, landscape architects and professional land planners, residing or working in the cities of Dana Point, San Clemente or San Juan Capistrano. Our mission is to be a design expert resource, to advocate, to inspire, to educate and to inform the public and municipalities regarding planning, design and building to enrich the quality of life for the communities we serve.

- To provide a better understanding of what these professionals provide for our communities.
- To provide for a professional unified voice concerning governmental policies which affect our communities.
- To influence governmental policies which affect the design professions.
- To promote better communication between local government and the building professions.
- To provide a resource of design expertise to our communities and municipalities.
- To mentor students and interns in the architecture, landscape architecture and land planning disciplines.

It should be noted that, as with all professional organizations, individual members come from varying backgrounds and not all will be in uniform agreement with particular items. Nonetheless, all interested members have had an opportunity to review this advice and their input has, to the greatest extent feasible, been included herein.

On or about March 1, 2015, the Architectural Guild of South Orange County was approached by Christopher Wright of the City of San Clemente Planning Division with a request for input regarding appropriate building heights for the proposed MU3.2 zone which will be located in a limited area on the west side of El Camino Real, south of Del Mar. A subcommittee of the guild was formed and on March 12, 2015, Cheryl Moe and Cindy Fleming, representing the Guild met with Christopher Wright and Jim Hare, representing the City. Guild members Moe, Fleming and Dennis DeSilva attended the Planning Commission Study Session on March 18, 2015.

## MU3.2 ZONE

The MU3.2 zone has been directed by the San Clemente City Council as a part of clarifications and amendments to the Centennial General Plan adopted in February 2014 and to conform the zoning ordinance.

The MU3.2 zone is applied to a ½ block wide by 8 block long area fronting El Camino Real between Avenida Rosa and Avenida Cadiz, and between Avenida Esplanade and Avenida Valencia. The zone extends only to the alley west of El Camino Real. The zone is being established to encourage commercial mixed use development in this area and to prohibit residential-only development. The MU3.2 zone will require each development to provide commercial space on the El Camino Real street frontage, though it will not preclude residential uses to also be located on this level. The affected lots typically slope from the El Camino Real frontage downward to the alley. At the maximum slope differential, the alley is

approximately 20' below the El Camino Real street level. Residential single and multi-family zones are established adjacent on the west side of the alley.

The City Council's intent is to limit the buildings on El Camino Real to two stories while allowing a third story when it can be tucked below due to the grade differential at the alley. Height limits are to be measured from the center of the front property line abutting El Camino Real. Current height limits identified in the General Plan sets a second story plate height limit at 26 feet, with a roof height limit at 33 feet. These limits would set horizontal 'lids' on the height of development in this zone, extending to the rear property line. Although the methodology is expected to remain, the City Council has received comments that the proposed heights are too low to support current commercial retail requirements.

## HEIGHT DISCUSSION

The task set before the Architectural Guild is to suggest maximum plate height, roof height and if there should be any allowances for extended height above these limits. The City representatives were very specific that the scope for the Architectural Guild is limited to the issue of appropriate height limits to support mixed use with commercial/retail on the ground floor street frontage and office or residential uses on the second floor.

All great cities in the world achieve walkable, vibrant street life and neighborhood convenience by combining commercial and residential uses in the same buildings. To create a comfortable, successful street level space, adequate height must be provided to allow for visibility into businesses, natural light penetration and a comfortable pedestrian experience.

Setting a height limit without also defining a story limit will inevitably result in more stories squeezed into the height limit. Although this might initially seem advantageous to a developer, the result is squashed retail and residential spaces that rent for less and end up being less successful. Setting appropriate height limits *and* story limits will encourage more successful development overall. (See Appendix A, "It's the Ceiling Heights, for One Thing".)

Low ceilings make for uninviting spaces. They feel cramped, are less visible from the street and tend to rent for less. Higher ceilings feel spacious, airy and more comfortable. Studies have proven that low ceiling heights are more conducive to study or analytics and close tasks performed while seated whereas high ceilings are more conducive to creativity, social activity and promote sales in retail settings.

So how low is too low and how high is too high? Many retailers consider 16 to 24 feet essential to the success of their stores. Large store chains demand these heights but small stores find the higher ceiling heights beneficial in terms of visibility, natural light penetration, availability of display space and feeling of spaciousness, all of which drive sales. Even at street level pedestrian walks, flat canopies can feel oppressive if lower than 10'-12'. Quality residential development looks for 9'-0" ceilings.

Of course there is a balance that is required. Developers must balance the requirements of land costs, parking, and construction costs with local demand and potential rent rates. Allowing for flexibility over the life of the development to allow for shifting demand and to allow for neighborhood commercial /retail to develop may help. (See Appendix B, "Avoiding Retail Vacancies with Flexible Retail / Residential Design" and Appendix C, "Ten Principals for Rebuilding Neighborhood Retail".)

It is also important to look at what neighboring cities are doing. If a retailer cannot find what he needs, he will surely be looking in adjacent cities. For San Clemente, that means Dana Point and San Juan Capistrano. Since San Juan Capistrano has, at least for the moment, squashed virtually any new development and seems bent on stifling its downtown retailers, we really must look at what Dana Point is doing. The relatively new Dana Point Town Center Plan was formulated specifically to encourage mixed use development. Here, 18' street level floor to floor heights are required and maximum building height is 40' and 3 stories. (See Appendix D)

The City of Santa Ana's handling of its commercial mixed use zone may also be of interest. (See Appendix E)

### ADVICE

The following advice reflects a majority voice of interested Guild members. An individual Guild member suggested street level floor to floor heights as low as 13'-6" with 10' ceilings.

**Recommendation:** A street level floor to floor minimum height of 18' will allow for a minimum ceiling height of 14' with roughly 2' for structure and 2' for the larger mechanical distribution currently required. This allows for optimal small retail ceiling heights. Street side canopies should be allowed to extend over public sidewalks and may vary in height to allow for clerestory windows into commercial units and intimate café seating where desired.

Commercial / retail units are not likely to extend full depth in many cases and may not include the entire frontage width in some developments, at least initially. The 18' floor to floor street level height requirement is encouraged for the entire street level regardless of use to allow for flexibility and future retail expansion. Minimally, the 18' floor to floor should extend no less than 30' from the street front wall of the building. Residential uses on the street level and behind the commercial uses may include common use areas and perhaps even some residential units.

Above street level, floor to floor residential plate height is encouraged to be 9' where flat ceilings are proposed but could be lower where cathedral ceilings are incorporated.

For a two-story structure the overall second floor plate line should be limited to 30' but could be as low as 27'. An additional 6' to 8' should be given for a sloped roof and various roof elements. The overall maximum height of the building would be no greater than 36' for two stories.

Two levels of parking stacked behind the street level commercial space should be counted as a single story.

If a third story is allowed at the rear of the property, an additional 11'-12' is required. For this scenario, the overall building height should be extended to 48' max. from the mean alley elevation but no more than the height of the plane established by the maximum building height established on El Camino Real.

## CAUTIONS & ADDITIONAL SUGGESTIONS

The height of new building developments must be sensitive to established single family residential development on the west side of the alley with respect to privacy and shadow encroachment. It is recommended that a shadow and view study be performed on new development in the MU3.2 zone.

There is concern for roof decks that could potentially look into adjacent single family residence back yards and windows. It is suggested that roof decks be held away from the building perimeter to eliminate views from the roof decks into private areas of single family residences and yards.

Any appurtenances (stairways, elevators, shade structures, etc.) on roof decks should be limited to the overall building height limit maximum.

Mixed use developments must provide adequate parking so that adjacent residential zones are not impacted by spill-over. Similarly, loading zones must be designed and located so as not to block resident access. Trash services should be coordinated to minimize number of runs down the alley per week; i.e. combine resident trash pick-up with one of the mixed use trash pick-up times.

It is overwhelmingly felt that the City must participate in a parking solution for the downtown areas. One of our members suggested that El Camino Real could benefit from a 'Road Diet'; reducing lanes to one in each direction, with a center lane for turns and emergency access. This provides more space for parking access and is proven to enhance safety. A number of the Guild members thought this might be a good idea. (See Appendix F for more information.)



# ATTACHMENT 11

**From:** Smith, Michael  
**Sent:** Monday, August 3, 2015 7:49 PM  
**To:** Pechous, Jim <PechousJ@san-clemente.org>  
**Subject:** MU 3.2

Jim

I will miss the study session on the MU 3.2 Zoning while I am away on vacation.

I want to pass along my thoughts on this zoning so it can be shared at the study session with the City Staff and Planning Commissioners.

First, the height from El Camino. The proposed height of 35 feet is too high. Projects this high will block ocean views along the freeway.

I would support the 33 foot height with a plate height of 28 feet from El Camino. It is a compromise. I would prefer at 30 foot height with a 25 foot plate height.

This height limit will keep the building below the site line lines along the freeway. I also think that the 30 foot height is a better height limit for the appropriate right sized building height along El Camino. I see the main problem with defining MU3.2 zoning is right sizing of mixed use projects along El Camino. I support the City Council recommendation of 2 stories maximum along the front of El Camino. I think that it feasible to design good 2 story high mixed use buildings.

Second, the height from the back side along the alley should not exceed the roof and plate height along El Camino. And this height should end at 20 feet from the alley so there is a setback requirement that is currently being proposed. More importantly, the recommendation by the City Council that the rear elevation be no more than 3 stories high. This is critical in by judgement. This should mean exactly that no more than 3 stories in elevation be allowed along the alley. This height limit should be stated in the zoning language" to be no more than 3 stories in height along the alley." This also means that no partial height story be allowed when the elevation would exceed 3 stories in elevation. A partial underground parking level must be considered a full story and NOT an exemption of a story. In other words no 3 ½ story elevation is acceptable and cannot be allowed. Period. If a story is fully underground from the alley level it shall be permitted since it will not constitute a "story above ground."

Third, no parking requirements shall be modified to reduce the overall requirements for retail and housing parking. No "shared parking agreements" shall be allowed which would lower the standard parking requirements. Also, all parking in a MU 3.2 must be free of enclosed garage type parking unless garage parking is provided in addition to the overall parking requirements.

Looking at a hypothetical building model that needs a parking variance like a shared parking agreement is too large if it cannot provide the required parking.

Also, a hypothetical building model that is more than 3 stories high along the alley i.e. an extra ½ high story for half way underground parking plus three stories above is too high and shall not be allowed because it exceeds the 3 story height requirement. No matter if it is lower than the height allowance and setback requirement.

The absolute requirement for a proposed building in MU3.2 zoning is that it must be "right sized" according to the zoning and NOT an exception in height, parking or FAR and setback requirements. A hypothetical building proposal that asks for and needs any variances to basic MU3.2 zoning requirements is TOO LARGE. And as such shall not be allowed nor approved by the City. Developers who want to ask for these types of exceptions "to make my project work " are only trying to bend the requirements so they can take advantage with such variances or exceptions so that they can make more money from a proposed larger development than is allowed and is right sized and is appropriate for the MU3.2 zone.