



THE CITY OF SAN DIEGO

REPORT TO THE PLANNING COMMISSION

DATE ISSUED: April 19, 2007 **REPORT NO. PC-07-048**

ATTENTION: Planning Commission, Agenda of April 26, 2007

SUBJECT: 4878 CAPE MAY TENTATIVE MAP - PROJECT NO. 108208
PROCESS FOUR

OWNER/ APPLICANT: Howard J. Thompson

SUMMARY

Issue(s): Should the Planning Commission approve a Coastal Development Permit and Tentative Map, to convert nine existing residential units into condominiums, and waive the requirement to underground existing overhead utilities at 4878 Cape May Avenue, within the Ocean Beach Precise Plan?

Staff Recommendation:

1. **Approve** Coastal Development Permit No. 360191;
2. **Approve** Tentative Map No. 360155; and
3. **Approve** waiver to the requirement to underground existing overhead utilities.

Community Planning Group Recommendation: The Ocean Beach Planning Board voted 9-2-0 to recommend approval of the proposed project on November 1, 2006 with no conditions (Attachment 10).

Environmental Review: This project has been determined to be categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Article 19 Section 15301 on August 3, 2006. An appeal of the CEQA determination was previously made and the City Council denied the CEQA appeal on March 20, 2007. The scope of the subject hearing only includes the project, and not the environmental determination.

Fiscal Impact Statement: All costs associated with the processing of this project are

paid by the applicant.

Code Enforcement Impact: None with this action.

Housing Impact Statement: The proposed project is the conversion of nine existing apartment units into condominiums. There would be a loss of nine rental units and a gain of nine for-sale units. This project is subject to the Coastal Affordable Replacement Regulations, as well as Inclusionary Housing and tenant relocation assistance, which are conditions of the proposed Tentative Maps. The applicant proposes to pay an in-lieu fee of \$30,800 to the Housing Commission.

BACKGROUND

This Tentative Map project is subject to the condominium conversion regulations in effect prior to June 13, 2006, based on the adoption language for new condominium conversion regulations, wherein, the City Council specifically excluded all projects that had CEQA appeals pending on or before June 13, 2006. This project is one of those which had a pending appeal. The appeal hearing was held on March 20, 2007, and the City Council denied the appeal of the CEQA determination of exemption. Therefore, the project now can proceed to a discretionary hearing. In addition, the project site is located within the Coastal Overlay Zone and is therefore not subject to the new condominium conversion regulations, until certified by the California Coastal Commission.

The developed 6,985 square-foot (0.16-acre) site is located at 4878 Cape May Avenue between Cable Street and Sunset Cliffs Boulevard, north of Cape May Avenue and west of Sunset Cliffs Boulevard (Attachment 1). The project is within the North Ocean Beach neighborhood of the Ocean Beach Precise Plan and Local Coastal Program (Attachment 2). The Precise plan designates the site for multi-family residential land use at a density of 25 dwelling units/acre (du/ac) (Attachment 3). This site is within the RM-2-4 Zone, the Coastal Overlay Zone (non appealable), Coastal Height Limit Overlay Zone, Airport Environs Overlay Zone, and Airport Approach Overlay Zone, Parking Impact Overlay Zone, and the Ocean Beach Precise Plan and Local Coastal Program. The project site is surrounded by multi-family development. The two-story structure was constructed in 1969 as nine units with nine parking spaces.

DISCUSSION

Project Description: This project is a request for a Coastal Development Permit and Tentative Map for the subdivision of a 0.16-acre site to convert nine existing apartment units into condominiums (Attachment 5), which would allow the individual sale of each unit. Additionally, the applicant is requesting a waiver from the requirement to underground the existing overhead utilities adjacent to the project site.

The project consists of five, one-bedroom units (600 square feet each), and four, two-bedroom units (900 square feet each) in a two-story, 6,600 square-foot building built in 1969 with a total of 6,600 square feet of living area. Current parking requirements for the project, if constructed today, would be 18 parking spaces. The project was constructed with, and proposes to maintain

nine parking spaces. The development complied with the zoning and development regulations in effect at the time of construction and no zoning or code violations have been recorded against the property. The project has established previously conforming rights. No new construction or grading will take place under Coastal Development Permit No. 360191 and Tentative Map No. 360155. According to San Diego Municipal Code Section §125.0440, Findings for Tentative Maps for Condominium Conversion, the decision maker may approve a Tentative Map for the purposes of the conversion of residential property into a condominium project if the decision maker finds that the proposed conversion complies with the requirements of the Subdivision Map Act and the San Diego Municipal Code.

A Final Map is required to consolidate the existing two lots into one lot and to subdivide the ownership interest as a condition of the tentative map.

Project-Related Issues:

Land Use & Density – The site is a flat 6,985-square-foot, rectangular lot which is currently zoned RM-2-4 Zone, a multiple unit residential zone with an allowable residential density of one unit per 1,750-square-feet of lot area. The zone was applied in January 2000. Previous zoning was R-4, which was established on the site in April 1930 and allowed 17 residential units, or 1 unit for every 400 square feet of lot area. Under the current RM-2-4 zone, only four units could be constructed on the site. The site is developed with nine residential units within one-structure, including five-one-bedroom units for a total of 3,000 square-feet of living area, and four-two-bedroom units for a total of 3,600 square-feet of living area.

Parking – At the time of construction under the R-4 zone, one (1) parking space was required for each dwelling unit. This project provides 9 off-street surface parking spaces; five off-street spaces accessible from the alley, and four off-street surface parking spaces accessible from the Cape May Avenue. Under current regulations, the project would require 18 spaces, the five 1-bedroom units would require 1.75 spaces each and the four 2-bedroom unit would require 2.25 spaces each in accordance with LDC-Table 142.05C for a total of 18 parking spaces. The site deviates from current density and parking requirements. However, the project has previously conforming rights to be maintained as outlined in Chapter 12, Article 7, Division 1 of the Land Development Code. The existing nine parking spaces are required to remain in accordance with LDC Section No. 142.0510.

Coastal Overlay Zone – The project location is within the Coastal Overlay Zone (Map C-730) which is permit jurisdiction of the City of San Diego and non-appealable to the California Coastal Commission. Pursuant to §126.0708(a) of the San Diego Municipal Code, findings for Coastal Development Permit 360191 are substantiated in the attached Resolution. The project site contains no Environmentally Sensitive Lands, is a consistent land use as designated in the Ocean Beach Precise Plan and Local Coastal Program and does not encroach on physical or visual access to the ocean.

Airport Environs Overlay Zone (AEOZ) - The project site is within the Airport Environs Overlay Zone (AEOZ) and within the 65 decibel (dB) Community Noise Equivalent Level (CNEL) for Lindbergh Field operations. As a permit condition, and to be conditionally compatible with the

Comprehensive Land Use Plan (CLUP), an Avigation Easement shall be granted to the airport operator per Condition No. 19 of the draft Coastal Permit.

Undergrounding Waiver Request - There are power poles and overhead utilities lines in the alley right-of-way to the rear, which serve the subject property as well as adjacent properties in the neighborhood. Service to the site is provided via an overhead utility line that extends from a pole located adjacent to the northeast corner of the subject property.

San Diego Municipal Code Section 144.0240 allows the subdivider to apply for a waiver from the requirement to underground the existing overhead utilities within the boundary of the subdivision or within the abutting public rights of way. City staff has determined the undergrounding waiver request qualifies under the guidelines of Council Policy 600-25, *Underground Conversion of Utility Lines at the Developer's Expense*, in that the conversion involves a short span of overhead facility (less than 600 feet in length) and the conversion is a requirement of a condominium conversion of an existing development and the conversion would not represent a logical extension to an underground facility. The project site is located within Block 2R and a date for the undergrounding has not been determined by City Council (Attachment 12).

The applicant will be required to underground all existing on-site utilities per Condition No. 17 of the draft Tentative Map resolution (Attachment 9). The applicant would also be required to underground any new service run to any new or proposed structures within the subdivision per Condition No. 18 of the draft Tentative Map resolution (Attachment 9)

Affordable Housing - All condominium conversion projects Deemed Complete on or after February 7, 2004, must conform with the regulations regarding Inclusionary housing and tenant relocation benefits adopted by the City Council. This proposed project was Deemed Complete on July 27, 2006, and is therefore subject to these new regulations. This project is subject to the requirements of the Coastal Overlay Zone Affordable Housing Replacement Regulations of the San Diego Municipal Code at Chapter 14, Article 3, Division 8. On October 2, 2006, the San Diego Housing Commission completed a tenant income survey of the existing residents which found the following existing conditions: one two-bedroom unit occupied by *low-income* households. The applicant must therefore set aside one two-bedroom replacement unit at rents affordable to low-income households for a period of five years, or pay the Coastal Affordable In-Lieu fee of \$30,800 pursuant to the Coastal Affordable Housing Replacement regulations of the Municipal Code at Sections 143.0810 through 143.0860 (Attachment 15).

This project is subject to the Inclusionary Housing requirements. The Inclusionary Housing in-lieu fee would be \$24,090 based on 6,600 square feet of living space at a charge of \$3.65/square foot. However, because the Coastal Affordable Replacement In-Lieu fee would be greater, the project is only subject to the more stringent of the two and not both.

In order to comply with the relocation requirements of the condo conversion ordinance, the Housing Commission will send the applicant a tenant roster to complete and return to the Housing Commission to determine the income levels of the current tenants. All tenants whose income is less than 100% of the area median income are eligible for relocation benefits, so based

upon the outcome of the survey; the applicant may be responsible for relocation benefits.

Noticing – California State Law and the City's Municipal Code require that all tenants living within a proposed condominium conversion project, and all persons applying for a rental unit within such a project, must receive adequate notice (see California Government Code Section §66427.1 and San Diego Municipal Code Sections §125.0431 and §125.0640).

The applicant has certified that the required 60-day Notice of Intent to Convert to Condominiums was provided to the tenants on June 30, 2006 (Attachment 13).

Government Code 66452.3, requires that a copy of the staff report be served to each tenant, on each lease 72-hours (three calendar days) prior to the Public Hearing. This requirement will be fulfilled on or before April 23, 2007.

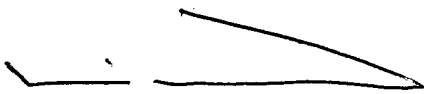
Conclusion:

Staff has reviewed the proposed condominium conversion and has found the project to be in conformance with the applicable sections of the San Diego Municipal Code regulating Tentative Maps, Coastal Development Permits, and Council Policy 600-25 regulating undergrounding of existing overhead utilities. Staff believes that the required findings can be supported and recommends the Planning Commission approve the project as proposed.

ALTERNATIVES

1. **Approve** Coastal Development Permit No. 360191, and Tentative Map No. 360155, **with modifications.**
2. **Deny** Coastal Development Permit No. 360191, and Tentative Map No. 360155, **if the findings required to approve the project cannot be affirmed.**

Respectfully submitted,



Mike Westlake
Program Manager
Development Services Department



Laila Iskandar
Project Manager
Development Services Department

Attachments:

1. Project Location Map
2. Aerial Photograph

3. Community Plan Land Use Map
4. Project Data Sheet
5. Tentative Map
6. Photos of Existing Front and Rear Elevations
7. Draft Permit with Conditions
8. Draft CDP Findings and Resolution
9. Draft Map Conditions and Subdivision Resolution
10. Community Planning Group Recommendation
11. Ownership Disclosure Statement
12. City's Undergrounding Master Plan – Map 2R
13. 60-Day Notice of Intent to Convert
14. CEQA Exemption
15. Coastal Affordable Housing Determination
16. Project Chronology