



THE CITY OF SAN DIEGO

REPORT TO THE PLANNING COMMISSION

DATE ISSUED: July 5, 2007 **REPORT NO.** PC-07-096

ATTENTION: Planning Commission, Agenda of July 12, 2007

SUBJECT: SAPPHIRE STREET TENTATIVE MAP - PROJECT NO. 84320.
PROCESS 4.

**OWNER/
APPLICANT:** William G. Clarke and Joanne E. Clarke, Co-Trustees of the Clarke Trust,
dated November 12, 1991 (Attachment 8)

SUMMARY

Issue(s) - Should the Planning Commission approve Tentative Map No. 266233, Coastal Development Permit No. 298357 and waive the requirement to underground existing utilities to convert ten existing residential units to condominiums at 901 Sapphire Street in the Pacific Beach Community Plan area?

Staff Recommendation -

1. **APPROVE** Tentative Map No. 266233, Coastal Development Permit No. 298357.
2. **APPROVE** Waiver from the requirement to underground existing overhead utilities.

Community Planning Group Recommendation – On April 26, 2006, the Pacific Beach Community Planning Group voted 14-1 to approve the project.

Environmental Review - The project is exempt from the California Environmental Quality Act (CEQA) pursuant to Article 19, Section 15301(k) as “Existing Facilities.” This project is not pending an appeal of the environmental determination. The environmental exemption determination for this project was made on October 24, 2005, and the opportunity to appeal that determination ended November 7, 2005. This Tentative Map has no outstanding environmental appeals.

Fiscal Impact - None with this action. All costs associated with the processing of this project are paid by the applicant.

Code Enforcement Impact - None with this action.

Housing Impact Statement - With the proposed conversion of ten existing apartments to condominiums, there would be a loss of 10 rentals units and a gain of 10 for-sale units. This Tentative Map and Coastal Development Permit request was deemed complete subsequent to February 7, 2004, and therefore is required to comply with the inclusionary affordable housing requirements.

BACKGROUND

The Land Use Element of the Pacific Beach Community Plan designates the site for Multi-family Residential at 9-14 dwelling units per acre (Attachment 1). The 0.18 acre site has been developed at an approximate density of 55 dwelling units per acre (Attachment 2). The 0.18 acre site is located at 901 Sapphire Street in the RM-1-1 zone between Mission Boulevard and Bayard Street in the Pacific Beach Community Plan area (Attachment 3). The surrounding land uses are residential to the north, east, south and west. Specifically, the existing uses include multi-family and a small number of single family uses. Within areas designated for attached housing, the Pacific Beach Community Plan does not address the issue of single versus condominium or fractional ownership.

The existing development was constructed in 1966. At the time the property was developed the approved construction met all current regulations. The site is presently improved with two, two-story apartment buildings. The two-story buildings include a total of ten one-bedroom units at 531 square feet each. The original development provided ten parking spaces.

The development complied with the zoning and development regulations in effect at the time of construction. No Building or Zoning Code violations are recorded against the property. The project has previously conforming rights to be maintained as outlined in Chapter 12, Article 7, Division 1 of the Land Development Code.

DISCUSSION

Project Description

The current application proposes a Tentative Map and Coastal Development Permit to convert the existing ten residential units to condominiums. Utilities are existing above ground in the alley right-of-way between Sapphire and Tourmaline Streets. No physical changes to the developed site are proposed or will occur should the Planning Commission action be to approve the application.

Section 125.0410 of the San Diego Municipal Code (SDMC) requires a Tentative Map (Attachment 4) be processed for the subdivision of land. According to SDMC §125.0440 and §125.0444, Findings for Tentative Maps and for Condominium Conversions, the decisionmaker may approve a Tentative Map for the purposes of the conversion of residential property into a condominium project if the decisionmaker finds the proposed conversion complies with the requirements of the Subdivision Map Act and the San Diego Municipal Code. Section 126.0701 of the San Diego Municipal Code (SDMC) requires a Coastal Development Permit be processed for any development in the Coastal Zone. The subdivision of land is deemed to be development and a Coastal Development Permit is required. Staff has reviewed the proposed condominium conversion and determined it complies with both the Subdivision Map Act and San Diego Municipal Code.

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 underground 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 is a requirement of a condominium conversion of an existing development and the conversion involves a short span of overhead facilities less than a full block in length, the conversion would represent an isolated undergrounding with a minimum probability of extension in the future, and the conversion would not represent a logical extension to an undergrounding facility. The applicant would be required to underground any new service run to any new or proposed structures within the subdivision per Condition Numbers. 6 and 7 of the draft Tentative Map resolution (Attachment 5). The draft Coastal Development Permit is provided as Attachment 6.

An existing power pole is immediately behind the property on the south side of the alley. Neighboring sites adjacent and across the alley from the subject property receive electrical, telephone and/or cable service from these overhead lines. Undergrounding those services would disrupt properties not included in the proposed project. The City's Undergrounding Master Plan for Fiscal Year 2006 designates the site within Block 2V, and at this time does not have funding nor a date for a proposed undergrounding project (Attachment 7).

CONDOMINIUM CONVERSION REGULATIONS

The requested conversion of these residential units to condominiums represents primarily a change in ownership.

The applicant has certified that the required 60-day Notice of Intent to Convert to Condominium was provided to the tenants on June 14, 2005 (Attachment 8).

All condominium conversion projects deemed complete on or after February 7, 2004, must comply with regulations addressing inclusionary housing and tenant relocation benefits adopted by the City Council on March 15, 2004. This proposed project was deemed complete on October 10, 2005, is subject to these regulations and has been conditioned to comply with the requirements. The 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 January 30, 2007, the San Diego Housing Commission completed a tenant income survey of the existing residents which found one one-bedroom unit occupied by a *low-income* household. The applicant must set aside one one-bedroom replacement unit affordable to low-income households for a period of five years or pay a Coastal In-Lieu fee of \$29,700 pursuant to the Coastal Affordable Housing Replacement regulations of the Municipal Code at Sections 143.0810 through 143.0860.

In addition, this project is subject to the Inclusionary Housing requirements of San Diego Municipal Code Chapter 14, Article 2, Division 13. The Inclusionary Housing in-lieu fee would be \$13,275.00 based on 5,310 square feet of living space at the rate of \$2.50/square foot.

For projects that have both Inclusionary Housing and Coastal Affordable Housing requirements, the project is only subject to the more stringent of the two requirements, not both. In this case, the Coastal In-Lieu fee of \$29,700 is more stringent.

CONCLUSION

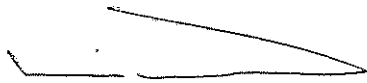
Staff has reviewed the request for a Tentative Map and Coastal Development Permit for the conversion of ten residential units into condominiums and has found the project to be in conformance with the applicable sections of the San Diego Municipal Code regulating Tentative Maps, Coastal Development Permits and the waiver from the requirement to underground the existing overhead utilities. Staff has provided draft findings to support approval of the Tentative Map (Attachment 5) and the Coastal Development Permit (Attachment 12) and recommends the Planning Commission approve the project as proposed.

ALTERNATIVES

1. **APPROVE** Tentative Map No. 266233, Coastal Development Permit No. 298357 and the waiver from the requirement to underground existing overhead utilities, with modifications.

2. **DENY** Tentative Map No. 266233, Coastal Development Permit No. 298357 and waiver of the requirement to underground existing overhead utilities, if the findings required to approve project cannot be affirmed.

Respectfully submitted,



Mike Westlake
Program Manager
Development Services Department



Helene Deisher
Development Project Manager
Development Services Department

WESTLAKE/hmd

- Attachments:
1. Community Plan Land Use Map
 2. Aerial Photograph
 3. Project Location Map
 4. Tentative Map
 5. Draft Map Conditions and Subdivision Resolution
 6. Draft Coastal Development Permit No. 298357
 7. Underground Project Schedule
 8. Government Code 66452.3; self-certification statement
 9. Ownership Disclosure Statement
 10. Project Chronology
 11. Project Data Sheet
 12. Draft Coastal Development Permit Resolution
 13. Community Group Minutes