



THE CITY OF SAN DIEGO

REPORT TO THE PLANNING COMMISSION

DATE ISSUED: July 12, 2007 **REPORT NO:** PC-07-097

ATTENTION: Planning Commission, Agenda of July 19, 2007

SUBJECT: 3940 OREGON STREET TENTATIVE MAP; PROJECT NO. 90954
PROCESS FOUR

OWNERS: 4222 44TH Street, LLC (Attachment 8)

APPLICANT: San Diego Land Surveying & Engineering

SUMMARY

Issue: Should the Planning Commission approve a Tentative Map for the conversion of 20 existing residential units to condominiums at 3940 Oregon Street, within the Greater North Park Community Plan of the Mid-City Communities Planned District area?

Staff Recommendation:

1. **Approve** Tentative Map No. 292498; and
2. **Approve** waiver to the requirement to underground existing overhead utilities.

Community Planning Group Recommendation: The Greater North Park Planning Committee considered the project on April 18, 2006 and voted 8-2-1 to recommend denial of the project (Attachment 7). The project has been modified, the Community Group reconsidered the proposed project at their June 19, 2007 meeting, and recommended approval of the project by a vote of 9-1-0 (Attachment 7).

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 December 15, 2005. The environmental determination was appealed on December 21, 2005. However, the appeal was withdrawn on February 28, 2006 (Attachment 12).

Fiscal Impact Statement: 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 20 existing apartments to condominiums, there would be a loss of 20 rental units and a gain of 20 for-sale units. This condominium conversion project was deemed complete on December 9, 2005, and is therefore subject to the regulations regarding Inclusionary housing and tenant relocation assistance.

BACKGROUND

This Tentative Map project is subject to the condominium conversion regulations effective June 13, 2006, with the exception of the parking regulations, based on the City Council's specific adoption language for the "new" condominium conversion regulations. At the June 13, 2006, hearing, the City Council adopted regulations for additional requirements for landscaping, a building conditions report, onsite inclusionary housing, noticing and parking. Based on the adopted language and project timing, all of these new regulations apply to this project, with the exception of the parking regulations.

The 0.32-acre project site is located at 3940 Oregon Street (Attachment 1) in the MR-800B Zone of the Mid-City Communities Planned District, and the Transit Area Overlay Zone, within the Greater North Park Community Plan area (Attachment 3). The site is developed with a two-story building containing 12 one-bedroom units, and 8 two-bedroom units. Twenty off-street parking spaces are provided on the site: eight (8) single-car garages and two (2) surface parking spaces are accessed from the alley at the rear, and ten (10) surface parking spaces are accessed from Oregon Street at the front. The site is bounded on all sides by multi-family residential uses.

The existing improvements were constructed in 1970. At the time the site was constructed it was in the C Zone of the Mid-City Communities Planned District and would have allowed for 35 residential units, or 1 unit for every 400 square feet of lot area, a total of 20 units were constructed. Current density requirements in the MR-800B Zone would allow 1 unit for every 800 square feet and would permit 17 units. Current parking regulations for a 20-unit mix of one and two bedrooms units in the MR-800B and Transit Area Overlay Zones would require 29 parking spaces on site. There are 20 parking spaces provided on site. The 20 parking spaces provided complied with the parking requirements in effect at the time of construction. The development complied with the zoning and development regulations in effect at the time of construction and no Building or Zoning code violations have been recorded against the property.

DISCUSSION

Project Description:

The project proposes a Tentative Map for the subdivision of a 0.32-acre site to convert 20 existing dwelling units into condominiums on 4 existing lots (Attachment 5). The applicant is

also requesting that the requirement for the undergrounding of existing overhead utilities be waived.

Section 125.0410 of the San Diego Municipal Code (SDMC) requires that a Tentative Map be processed for the subdivision of land. According to SDMC Sections 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 decision maker finds that the proposed conversion complies with the requirements of the Subdivision Map Act and the San Diego Municipal Code. Staff has reviewed the proposed condominium conversion and determined that it complies with both the Subdivision Map Act and the San Diego Municipal Code.

Undergrounding of Existing Utilities

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 would not represent a logical extension to an underground facility.

The applicant will be required to underground all existing service to the site per Condition No. 24 of the draft Tentative Map resolution (Attachment 6). The applicant would also be required to underground any new service run to any new or proposed structures within the subdivision per Condition No. 25 of the draft Tentative Map resolution (Attachment 6).

The neighborhood currently contains power poles and overhead utilities lines in the alley. The utility lines to these poles extend to other properties located north and south within the alley. The poles closest to this property, which carry the lines serving this site, are located within the rear alley right-of-way. As indicated above, all utilities serving this property will be required to be undergrounded. The waiver is being requested for the requirement to underground adjacent utilities serving the surrounding properties. The City's Undergrounding Master Plan for Fiscal Year 2006 designates the site within Block 3GG, and the date for undergrounding has been established for the year 2038 (Attachment 10).

Community Planning Group and Neighborhood Recommendations:

The Greater North Park Community Planning Committee considered the project on April 18, 2006, and voted 8-2-1 to recommend denial of the project based on its lack of design considerations, disconnected architectural style and materials, and lack of cohesive design considerations with regard to the Community Plan (Attachment 7). During the course of project review, modifications were made in accordance with assessment letter comments and all items have been adequately addressed. In response to the Community Group's concerns, the applicant has indicated the desire to enhance the building's facade and re-present the project to the

Community Group for reconsideration in-order to gain their support. The Committee placed the proposed project on the June 19, 2007 Consent Agenda, and recommended approval of the proposed project 9-1-0 with no additional comments or conditions.

This Tentative Map No. 292498 is only for the condominium conversion; no new construction will take place with this action.

Project-Related Issues:

All condominium conversion projects not considered by the appropriate hearing body on or before July 25, 2006, must conform with the current regulations regarding: inclusionary housing, tenant relocation benefits, the provision of a building conditions report, conformance with landscape regulations, and conformance with noticing requirements. This project is not required to conform with the new parking regulations for condominium conversions, based on specific language adopted by the City Council.

The requested conversion of these residential units to condominiums represents primarily a change in ownership. The applicant has certified that the required 60-day Notices of Intent to Convert to Condominiums were provided to the tenants on December 16, 2005 (Attachment 11).

Inclusionary Housing Ordinance and Tenant Relocation Benefits Conformance:

The project has been conditioned to require the subdivider conform with the City's Inclusionary Housing Ordinance (Chapter 14, Article 2, Division 13 of the Land Development Code) and demonstrate conformance with the Municipal Code provisions for Tenant Relocation Benefits (Chapter 14, Article 4, Division 5) to the satisfaction of the City Manager and the Housing Commission, prior to the recordation of the Final Map.

The applicant has agreed to provide one unit affordable to and sold to households earning no more than 150% of the area median income (AMI) and pay an in-lieu fee on the square footage of the remaining 19 units.

The City's current Condominium Conversion Ordinance (SDMC Section 144.0508) states that "Condominium conversion projects of 20 or more units shall satisfy the inclusionary housing requirements onsite in accordance with Section 142.1306." Further, the City's Inclusionary Housing Ordinance (SDMC Section 142.1306.a) states that "Condominium conversion units affordable to and sold to households earning less than 150% of the AMI pursuant to an agreement entered into with the San Diego Housing Commission shall not be included in the dwelling units total for purposes of applying the 10 percent inclusionary housing requirement." Therefore, by providing one unit at 150% AMI, the number of units subject to SDMC Section 144.0508 is reduced to 19, qualifying the project to pay an in-lieu fee on the remaining square footage.

The applicant has elected to pay an in-lieu fee of \$39,750.00 (15,900 square feet x \$2.50) to satisfy the Inclusionary Housing requirement, as allowed by the City's Inclusionary Housing Ordinance (Chapter 14, Article 2, Division 13 of the Land Development Code).

Building Conditions Report and Landscape Requirements

In accordance with the current regulations, the applicant provided a Building Conditions Report and Landscape Concept Plan. Both of these documents have been reviewed for conformance with the applicable regulations within Land Development Code (Chapter 14, Article 4, Division 5) and have been accepted by staff as conforming with the regulations (Attachment 14).

Noticing

The proposed project has been conditioned to conform with all new noticing requirements for condominium conversions.

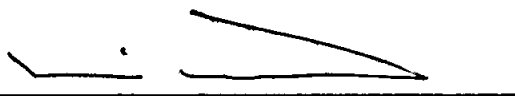
Conclusion:

Staff has reviewed the request for a Tentative Map for the conversion of 20 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. Staff believes the requirement findings can be supported and recommends the Planning Commission approve the project as proposed.

ALTERNATIVES

1. **Approve Tentative Map No. 292498, with modifications.**
2. **Deny Tentative Map No. 292498, if the findings required to approve the project cannot be affirmed.**

Respectfully submitted,



Mike Westlake
Program Manager
Development Services Department



Laila Iskandar
Development Project Manager
Development Services Department

WESTLAKE/LI
Attachments:

1. Project Location Map
2. Aerial Photograph

3. Community Plan Land Use Map
4. Project Data Sheet
5. Tentative Map
6. Draft Map Conditions and Subdivision Resolution
7. Community Planning Group Recommendation
8. Ownership Disclosure Statement
9. Project Chronology
10. City's Undergrounding Master Plan – Map 3GG
11. Sample of 60-Day Notice of Intent to Convert
12. CEQA Exemption
13. Photos of Existing/Proposed Front and Rear Elevations
14. List of required improvements from Building Conditions Report
15. Building Conditions Report