

THE CITY OF SAN DIEGO

# **REPORT TO THE PLANNING COMMISSION**

DATE ISSUED:	August 2, 2007	<b>REPORT NO.</b> PC-07-113
ATTENTION:	Planning Commission, Agenda of August 9, 2007	
SUBJECT:	2660 MISSION BOULEVARD TENTA PROJECT NO. 92959 PROCESS 4	FIVE MAP
OWNER/ APPLICANT:	Gerald M. Sylvain and Michael Monroe,	Owners/Applicants (Attachment 9)

## **SUMMARY**

<u>Issue(s)</u> - Should the Planning Commission approve Tentative Map No. 299178 to convert eight existing residential units to condominiums and waive the requirement to underground existing utilities at 2660 Mission Boulevard in the Mission Beach Precise Plan area?

Staff Recommendation -

- 1. APPROVE Tentative Map No. 299178
- 2. APPROVE Waiver from the requirement to underground existing overhead utilities.

<u>Community Planning Group Recommendation</u> - On February 21, 2006 the Mission Beach Precise Planning Board voted 9-0-0 to approve the project without conditions.

<u>Environmental Review</u> - The project was determined to be exempt from the California Environmental Quality Act (CEQA) on February 13, 2006 pursuant to Article 19, Section 15301(k) as "Existing Facilities". An appeal of the CEQA determination was previously made and the City Council denied the CEQA appeal on July 31, 2006. The scope of the subject hearing only includes the project, and not the environmental determination.

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.



<u>Housing Impact Statement</u> - With the proposed conversion of eight existing apartments to condominiums, there would be a loss of eight rental units and a gain of eight for-sale units. This Tentative Map request was deemed complete subsequent to February 7, 2004, and therefore is required to comply with the inclusionary affordable housing requirements.

## BACKGROUND

The 0.102 acre site is located at 2660 Mission Boulevard in the RS zone of the Mission Beach Planned District, the Coastal Overlay Zone (State Coastal Commission Jurisdiction), Coastal Height Limit, Parking Impact, and Airport Environs Overlay Zones within the Mission Beach Precise Plan area at the corner of Strand Way and Mission Boulevard. The surrounding land uses are multi-family residential to the north, east, south and west. The Land Use Element of the Mission Beach Precise Plan designates the site for residential use at 36 dwelling units per acre (Attachment 1).

The existing eight unit residential development was constructed in 1956. At the time the property was developed the approved construction met all current regulations. The site is presently improved with one, two-story apartment building. The two-story building includes a total of eight one-bedroom units at 400 square feet each. The original development required and provided eight 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.

## **DISCUSSION**

## Project Description

The current application proposes a Tentative Map (Attachment 4) to convert the existing eight residential units to condominiums. Utilities are existing above ground in the alley right-of-way between Asbury and Anacapa Court.

Section 125.0410 of the San Diego Municipal Code (SDMC) requires a Tentative Map 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. 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 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 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 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 No. 5 of the draft Tentative Map resolution (Attachment 5).

Existing power poles are across an alley and approximately 50 feet west and 40 feet east of the site. Neighboring sites adjacent and across Strand Way (alley) from the subject property also 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 2S, and is proposed to be undergrounded in Fiscal Year 2008 (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 October 11, 2005 (Attachment 8).

The environmental exemption for this Tentative Map was appealed by Briggs Law Corporation. On July 31, 2006, at a public hearing, the City Council denied the appeal and upheld the environmental determination as being categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Article 19, Section 15301(k) as "Existing Facilities". The City Council expressly exempted these tentative maps from the new condominium conversion regulations which went into effect in mid 2006. Therefore, the project is not subject to the current condominium regulations requiring a building conditions report landscape plans or parking requirements. Only requirements in place at the time the submittal was deemed complete will apply. On June 14, 2007, the Coastal Commission unconditionally certified the condo conversion ordinance adopted by the City Council on June 13, 2006. There were no additional requirements added to this proposal as a result of that decision.

### Affordable Housing-

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. Pursuant to the City's Coastal Overlay Zone Affordable Housing Replacement Regulations (Municipal Code Sections 143.0810 through 143.0860), the conversion of dwelling units occupied by households of low or moderate income is prohibited unless provision is made for the replacement of the units on a one-to-one basis.

In May 2006, the Housing Commission determined that 4 one-bedroom units were occupied by low income households and 4 one-bedroom units were occupied by moderate income households due to rent and occupancy restrictions imposed by the Housing Commission under a Declaration of Covenants, Conditions and Restrictions dated March 29, 2002. These restrictions expired on March 1, 2007.

Pursuant to the Coastal Affordable Housing Replacement regulations of the Municipal Code at Sections 143.0810 through 143.0860, the applicant is required to provide 4 one-bedroom replacement units at rents affordable to low-income households and 4 one-bedroom replacement units at rents affordable to moderate-income households for a period of five years either: on-site, within the community, elsewhere within the Coastal zone, or within three miles of the coastal zone. As an option to the replacement units, the applicant may pay the Coastal In-Lieu fee of \$170,000 which was determined by the Housing Commission.

This project is subject to the Inclusionary Housing requirements of San Diego Municipal Code Chapter 14, Article 2, Division 13. The Inclusionary Housing regulations require that 10 percent of the units be affordable at 65 percent AMI (rental) or 100% AMI (for-sale) or the applicant may pay an in-lieu fee of \$6,400.00 (based on 2,560 square feet of living space at a rate of \$2.50/square foot).

For projects that have both Inclusionary Housing and Coastal Affordable Housing Replacement requirements, the project is only subject to the more stringent of the two requirements, not both. In this case, the Coastal Affordable Housing In-Lieu fee of \$170,000 is more stringent and will apply.

#### **CONCLUSION**

Staff has reviewed the request for a Tentative Map for the conversion of eight 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 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 recommends the Planning Commission approve the project as proposed.

#### **ALTERNATIVES**

- 1. Approve Tentative Map No. 299178 and waive the requirement to underground existing utilities, with modifications.
- 2. Deny Tentative Map No. 299178 and the waiver of the requirement to underground existing utilities, if the findings required to approve the 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. Underground Project Schedule
- 7. Government Code 66452.3; self-certification statement
- 8. Ownership Disclosure Statement
- 9. Community Planning Group Recommendation
- 10. Project Chronology
- 11. Project Data Sheet