

DATE ISSUED: June 13, 2008 **REPORT NO. PC-08-071**

ATTENTION: **Planning Commission, Agenda of June 19, 2008**

SUBJECT: LEILANI BAY TENTATIVE MAP – PROJECT NO. 105191
PROCESS FOUR

OWNERS: George Y. Kung and Jean Cheng (Attachment 9)

APPLICANT: Leppert Engineering, Engineer

SUMMARY

Issue: Should the Planning Commission approve a Coastal Development Permit and Tentative Map for the conversion of fifteen existing residential units to condominiums at 3550 Bayside Walk, including a waiver of the requirement to underground the existing overhead utilities, within the Mission Beach Precise Plan area?

Staff Recommendation:

1. **Approve** Coastal Development Permit No. 350429; and
2. **Approve** Tentative Map No. 350428 including the waiver to the requirement to underground existing overhead utilities.

Community Planning Group Recommendation: On July 18, 2006, the Mission Beach Precise Planning Board voted 13-1-0 to recommend approval of the project with conditions as discussed in this report (Attachment 8).

Environmental Review: This project is exempt from environmental review pursuant to Article 19, Section 15301(k), Existing Facilities, of the California Environmental Quality Act (CEQA). The environmental exemption determination for this project was made on June 26, 2006, and the opportunity to appeal that determination ended July 17, 2006.

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 fifteen existing apartments to condominiums, there would be a loss of fifteen rental units and a gain of fifteen for-sale units. This condominium conversion project was deemed complete on June 12, 2006, and is therefore subject to the regulations regarding Inclusionary housing and tenant relocation assistance. In addition this project is subject to the Coastal Affordable Housing Regulations.

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, inclusionary housing, noticing and parking. Based on the adopted language and project timing, these new regulations apply to this project, with the exception of the parking regulations. Accordingly, this project has been reviewed against the new regulations, and this project can proceed to its discretionary hearing.

The 0.101 project site is located at 3550 Bayside Walk in the RS Zone of the Mission Beach Planned District, Coastal (appealable), Coastal Height Limit, Parking Impact, Residential Tandem and Transit area Overlay zones within the Mission Beach Precise Plan area. (Attachments 1-3). The site is presently developed with one, three-story structure containing a total of ten studio units and five, 2-bedroom units. Twenty-two off-street parking spaces are provided for the site: four, tuck-under carports on this lot and eighteen exposed parking spaces across Bayside Lane. The site is bounded on the north, south and west by multi-family residential uses and Mission Bay to the east.

The existing development was built in 1961, when the site was zoned R-4. The site was originally constructed with 16 units and the parking lot across Bayside Lane was provided for the development and will be maintained with a lot-tie agreement. It is assumed the remaining development met zoning and building regulations in effect at that time. In 2004, the City issued a building permit to consolidate two of the studios into a single unit, making the 15 units that exist today. Under current MBPD-RS zoning, 4 units could be constructed on the site (One unit per 1,200 square feet of lot area). The site deviates from density, parking requirements which would now require thirty spaces for the existing units, and may deviate from other development criteria. However, the project has previously conforming rights to be maintained as outlined in Chapter 12, Article 7, Division 1 of the Land Development Code 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 0.101-acre site into one (1) lot for a fifteen unit residential condominium conversion (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 decisionmaker 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*, the conversion involves a short span of overhead facility less than a full block 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 applicant will be required to underground all existing service to the site per Condition No. 19 of the draft Tentative Map resolution (Attachment 7). 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 7).

The neighborhood currently contains power poles and overhead utilities lines in the Bayside Lane right-of-way. The utility lines to these poles extend to other properties located to the north and south. The poles closest to this property, which carry the lines serving this site, are at the south corner of the property and adjacent to the development to the north. 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 2S, and the date for undergrounding has been established for the year 2062 (Attachment 11).

Community Planning Group:

On July 18, 2006, the Mission Beach Precise Planning Board voted 13-1-0 to recommend approval of the project with conditions (Attachment 8). Staff's response follows each issue identified by the Board:

1. *Provide 10-feet of landscaping instead of the 5-feet between the parking lot across Bayside Lane and Nahant Court:* The parking lot was allowed by Variance including the 5-foot landscape buffer. Any increase in the landscaping would reduce the existing parking for the project.
2. *Ensure that building permits were obtained for the remodeling work:* The remodeling work has now received the appropriate permits.

Project-Related Issues:

The requested conversion of these residential units to condominiums represents primarily a change in ownership. The applicant has certified that the twenty-five unit complex has been served the 60-day Notice of Intent to Convert to Condominiums January 2, 2007 (Attachment 12).

Inclusionary Housing Ordinance and Tenant Relocation Benefits Conformance:

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 on March 15, 2004. This proposed project was Deemed Complete on June 12, 2006, and is therefore subject to these new regulations. 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 the Coastal Affordable Housing Regulations to the satisfaction of the City Manager and the Housing Commission, prior to the recordation of the Final Map. The applicant has indicated that in order to meet this requirement, they will be paying the in-lieu fee of the greater amount between the Coastal Affordable Housing and the Inclusionary Housing in-lieu fee. The applicant will have to adhere to the Municipal Code provisions for Tenant Relocation Benefits (Chapter 14, Article 4, Division 5). If prospective tenants move into the premises prior to the recording of the Final Map, the Subdivider shall provide each tenant, and each person applying for the rental of a unit in such residential real property, all applicable notices and rights required by the State Map Act and Land Development Code.

On June 13, 2006, the City Council adopted regulations for additional requirements for landscaping, a building conditions report, 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.

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.

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 Coastal Development Permit and Tentative Map for the conversion of fifteen 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** Coastal Development Permit No. 350429 and Tentative Map No. 350428 along with the waiver of the requirement to underground existing overhead utilities, **with modifications.**
2. **Deny** Coastal Development Permit No. 350429 and Tentative Map No. 350428 along with the waiver of the requirement to underground existing overhead utilities, **if the findings required to approve the project cannot be affirmed.**

Respectfully submitted,

Mike Westlake
Program Manager
Development Services Department

Jeannette Temple
Development Project Manager
Development Services Department

WESTLAKE/JT

Attachments:

1. Aerial Photograph
2. Community Plan Land Use Map

3. Project Location Map
4. Project Data Sheet
5. Tentative Map and Landscape Plan
6. Draft Coastal Development Permit and Resolution
7. Draft Map Conditions and Subdivision Resolution
8. Community Planning Group Recommendation
9. Project Chronology
10. Ownership Disclosure Statement
11. City's Undergrounding Master Plan Map 2S
12. 60-Day Notices of Intent to Convert
13. Photos of Existing Front and Rear Elevations
14. Building Conditions Report