

DATE ISSUED: December 9, 2004 **REPORT NO.** PC-04-216

ATTENTION: **Planning Commission, Agenda of December 16, 2004**

SUBJECT: MONTECITO POINT TENTATIVE MAP – PROJECT NO. 10274
PROCESS FOUR

**OWNER/
APPLICANT:** HILLCREST MONTECITO, L.P., OWNER
SCHWERIN & ASSOCIATES, APPLICANT

SUMMARY

Issue(s) - Should the Planning Commission approve a Tentative Map for the conversion of 72 existing residential units into condominiums 4179 Third Avenue, within the Uptown Community Plan area?

Staff Recommendation: **Approve** Tentative Map No. 19267.

Community Planning Group Recommendation - The Uptown Planners voted 8-5-1 to recommend denial of the proposed project on August 3, 2004, as further discussed within this report (Attachment 7).

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).

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 72 existing apartments to condominiums, there would be a loss of 72 rental units and a gain of 72 for-sale units. This condominium conversion project was deemed complete on November 25, 2003, and is therefore exempt from the new regulations regarding inclusionary housing and tenant relocation assistance.

BACKGROUND

The 0.689-acre site is located between Arbor Drive and Montecito Way at 4179 Third Avenue, in the MR-800B Zone of the Mid-City Communities Planned District within the Uptown Community Plan area

(Attachment 3). The site is presently developed with a multi-level structure containing 44 one-bedroom units and 28 two-bedroom units, with 117 off-street parking spaces. The structure spans half the block bounded by Arbor Drive, Third Avenue and Montecito Way. All parking is located in the parking structure under the residential building; some of the spaces are subterranean and some are at street level. This parking garage is accessed via driveways along Third Avenue and West Arbor Drive. The site is surrounded by multi-family residential development to the north, east, west, and south.

The site was incorporated into the MR-800B Zone of the Mid-City Communities Planned District in May 1989. Previous zoning included the R-4 (R-400) Zone established over the area in October 1930. The project was permitted for construction in 1987-1988. At that time the site was zoned R-4 and permitted one unit per 400 square feet of lot area, or 75 units. The 117 parking spaces provided complied with the 1987-1988 requirements. 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.

The project does not meet the current density requirement of one unit per 800 square feet of lot area in the MR-800B Zone. The current zone would only allow 37 units to be developed on the site. However, 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 project proposes a Tentative Map for the subdivision of a 0.689 -acre site to convert 72 existing dwelling units into condominiums on one existing lot (Attachment 5). The applicant is not requesting that the requirement for the undergrounding of the existing overhead utilities be waived and will be undergrounding all existing utilities.

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.

COMMUNITY PLANNING GROUP RECOMMENDATION:

The Uptown Planners recommended denial of the proposed project at their August 3, 2004, meeting by a vote of 8-5-1 (Attachment 7). The group based their denial on the “applicants’ stated intention to disregard Uptown Planners standard undergrounding condition as well as the failure to articulate a set relocation plan, especially for low income and disabled current tenants.” The group further recommended that if the Planning Commission approves the project, they “urge the Planning Commission to deny approval for the utility undergrounding waiver.”

After this August 2004, meeting, the applicant indicated they would not be requesting a waiver to the requirement to underground existing utilities. Condition No. 4 of the draft Tentative Map Resolution specifies that undergrounding will occur as required. As indicated above, the project is not subject to the regulations regarding inclusionary housing and tenant relocation benefits. Accordingly, staff cannot require the applicant conform with the provision of tenant relocation benefits as recommended by Uptown Planners. The applicant has indicated a potential willingness to provide some relocation assistance. However, any agreement by the applicant regarding this issue would be outside the scope of this Tentative Map.

The Tentative Map has been conditioned to provide the right of first refusal to the existing tenants, as required by the State Map Act.

PROJECT RELATED ISSUES:

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 April 29, 2004 (Attachment 10).

All condominium conversion projects Deemed Complete on or after February 7, 2004, must conform with the new regulations regarding inclusionary housing and tenant relocation benefits adopted by the City Council on March 15, 2004. This proposed project was Deemed Complete on November 25, 2003, and is therefore not subject to these new regulations.

Some issues arose in the initial project processing regarding tenant notification and required notices. These issues were rectified early in the process. The original Notice of Application was mailed by the City of San Diego on December 10, 2003. That notice did not include all the language required by the State Map Act, nor did the original 60-day notices provided to the tenants on September 23, 2003. Once the errors were discovered, however, a revised 60-day Notice was provided to the tenants on April 29, 2004, and a Revised Notice of Application was sent by the City of San Diego on May 7, 2004, which contained all required language. In addition, the property owner has provided City staff with copies of at least three other notices provided to the tenants regarding on-site meetings to discuss the condominium conversion process and two Uptown Planners meetings regarding this project.

CONCLUSION:

Staff has reviewed the request for a Tentative Map for the conversion of 72 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 required findings can be supported and recommends the Planning Commission approve the project as proposed.

ALTERNATIVES

1. **Approve** Tentative Map No. 19267, **with modifications.**
2. **Deny** Tentative Map No. 19267, **if the findings required to approve the project cannot be affirmed.**

Respectfully submitted,

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Development Project Manager
Development Services Department

ESCOBAR-ECK/MAS

Attachments:

1. Aerial Photograph
2. Community Plan Land Use Map
3. Project Location 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. Copy of Tenant Notices