

**CITY OF SAN DIEGO
M E M O R A N D U M**

DATE: December 2, 2005

TO: Chairman Shultz and Planning Commissioners

FROM: Paul Godwin, Development Project Manager,
Development Services Department

SUBJECT: Project No. 38810, Hollywood Park Tentative Map,
Continued from October 27, 2005

This project was originally scheduled for Planning Commission on October 13, 2005, however, the applicant requested a continuance until October 27, 2005, to allow them to meet with the Housing Commission to discuss the existing Affordable Housing Density Bonus Agreement associated with this project as it relates to the proposed condo conversion Tentative Map. These discussions were not completed as of October 27, 2005, so the project was continued again until December 8, 2005.

In consultation with the San Diego Housing Commission, the applicant has agreed to restrict two onsite units to be affordable to households at 100% AMI. The applicant would satisfy the remainder of their inclusionary housing requirement via the in-lieu fee. A condition will be added to the resolution requiring that these two affordable units be provided onsite, to the satisfaction of the San Diego Housing Commission.

Paul Godwin

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DATE ISSUED: October 6, 2005 **REPORT NO.** PC-05-076

ATTENTION: Planning Commission Agenda of October 13, 2005

SUBJECT: HOLLYWOOD PARK TENTATIVE MAP - PROJECT NO. 38810
PROCESS FOUR

**OWNER/
APPLICANT:** Hollywood Park Apartments, LLP (Attachment 8)
Jim Neil (CB Richard Ellis)

SUMMARY

Issue(s) – Should the Planning Commission approve a Tentative Map for the conversion of thirty-two (32) existing residential units into condominiums and waive the requirement to underground existing overhead utilities at 2402-2412 Fairmount Avenue, within the City Heights Neighborhood of the Mid-City Communities Plan Area?

Staff Recommendation:

1. **Approve** Tentative Map No. 109986 and
2. **Approve** waiver to the requirement for the undergrounding of the existing overhead utilities.

Community Planning Group Recommendation – On August 2, 2004, the City Heights Area Planning Committee considered the project and voted 10-7-0, the Chair not voting, in favor of the project, except for the request to waive the requirement to underground existing overhead utilities (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 32 existing apartments to condominiums, there would be a loss of 32 rental units and a gain of 32 for sale units. This condominium conversion project was deemed complete on June 21, 2004, and is therefore subject to the new regulations regarding inclusionary housing and tenant relocation assistance.

BACKGROUND

The 1.08-acre site is located at 2404-2412 Fairmount Avenue between Home Avenue and Laurel Street in the RS-1-7 Zone within the City Heights neighborhood of the Mid-City Communities Plan area (Attachment 3). The project site is currently developed with 32 units in four buildings, in a combination of 8 one-bedroom and 24 two-bedroom units. The development also provides a laundry facility, pool area, and 63 off-street parking spaces consisting of 31 garage spaces and 32 surface parking spaces. Surrounding land use consists of a mix of single-unit and multi-unit residential development to the east across Fairmount Avenue, single-unit residential development to the north and west, and open space to the south.

The site is currently zoned RS-1-7. Mid -City Development Permit No. 87-0591 was approved on July 8, 1987, with building permits issued in 1989, permitting the construction of 32 residential units in a combination of 8 one-bedroom and 24 two-bedroom units. At that time, the site was zoned MR-1500 and MR-3000 permitting up to 24 units on the site. However, the Mid-City Development Permit that was approved for this site permitted a total of 32 units based on applying the MR-1500 Zone density of one unit per 1,500 square feet of lot area to the entire site.

With respect to the off-street parking spaces, a total of 50 spaces (1.3 per 1-bedroom and 2.0 per 2-bedroom unit) were required in 1988. A total of 63 spaces are provided on the premises. 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 development is also encumbered by a Density Bonus Agreement with the Housing Commission, which was executed in March 1987, amended and recorded on December 28, 1989 as document No. 89-705365 (Attachment 12) . Pursuant to the Density Bonus Agreement, 3 one-bedroom units and 2 two bedroom units are required to be rent and occupancy restricted for low income households for 20 years. Upon termination of the Density Bonus Agreement on March 17, 2009, the property owner may sell these units as market rate units.

The project is not in compliance with the current density requirement of the RS-1-7 zone, which allows 1 unit per lot, or a total of 1 unit on the subject property. However, the project has previously conforming rights to be maintained as outlined in Chapter 12, Article 7, Division 1 of the Land Development Code. With respect to project parking, the 63 spaces provided exceed the maximum of 60 spaces required under the current requirement of 150 spaces per 1-bedroom unit and 2.0 spaces per 2-bedroom unit.

DISCUSSION

PROJECT DESCRIPTION:

The project proposes a Tentative Map for the subdivision of a 1.08-acre parcel for the conversion of thirty-two multi-family dwelling units into condominiums (Attachment 5). The applicant is also requesting that the requirement for the undergrounding of the 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 Waiver Request

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 a) the conversion involves a short span of overhead facility (less than 600 feet in length), and b) the conversion is a requirement of a condominium conversion of an existing development 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. 4 of the draft Tentative Map resolution (Attachment 6).

The neighborhood currently contains power poles and overhead utility lines along the east side of Fairmont Avenue and noncontiguous to the project site. There is one power pole located approximately five feet north of the site with an overhead utility line connecting to the building at 2412 Fairmont Avenue. Service to the other buildings is underground and connects to a transformer located on the project site. The City's Undergrounding Master Plan for Fiscal Year 2004 designates the site within Block 3-J, which is proposed to be undergrounded in Fiscal Year 2030 (Attachment 10).

COMMUNITY PLANNING GROUP RECOMMENDATION:

The City Heights Area Planning Committee considered the project on August 2, 2004 and voted 10-7-0, with the Chair not voting, in favor of the project. The Committee commented that they do not support any waiver regarding the undergrounding of utilities and believes all condominium conversion projects should pay for the undergrounding now or contribute to an in-lieu fee. Based on the preceding information, staff continues to support the undergrounding

request.

PROJECT RELATED ISSUES:

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

All condominium conversion projects Deemed Complete on or after February 7, 2004 must conform to 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 June 21, 2004, and is therefore subject to these new regulations and the applicant has selected to pay an in-lieu fee. The project has been conditioned to require the subdivider pay an Inclusionary Affordable Housing In-Lieu Fee of \$26,448.00 based on \$1.00 per square footage fee, pursuant to the Affordable Housing Requirements of 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.

CONCLUSION:

Staff has reviewed the request for a Tentative Map for the conversion of thirty-two residential units into condominiums and the request to waive the requirements of the undergrounding of existing overhead utilities, and has found the project to be in conformance with the applicable sections of the San Diego Municipal Code regulating Tentative Maps and Council Policy 600-25 regulating undergrounding of existing overhead utilities. Staff believes the required findings can be supported and recommends the Planning Commission approve the project as proposed.

ALTERNATIVES

1. **Approve Tentative Map No. 109986 with modifications.**
2. **Deny Tentative Map No. 109986 if the findings required to approve the project cannot be affirmed.**

Respectfully submitted,

Jeffrey D. Strohminger
Acting Deputy Director,
Customer Support and Information Division
Development Services Department

Paul B. Godwin
Development Project Manager
Customer Support and Information Division
Development Services Department

STROHMINGER/PBG

Attachments:

1. Aerial Photograph of Project Site
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. City's Undergrounding Master Plan – Map 3-J
11. Copy of Sample Notice to Tenants
12. Density Bonus Agreement

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