

DATE ISSUED: April 21, 2005 **REPORT NO. PC-05-131**

ATTENTION: **Planning Commission, Agenda of April 28, 2005**

SUBJECT: 4940 DEL MONTE AVENUE [DEL MONTE PALMS]
PROJECT No. 57766. PROCESS 4

OWNER: Mark Gosselin, Trustee, Del Monte Palms, L.P.

APPLICANT: Philip Buckley, CB Richard Ellis

SUMMARY

Issue: Should the Planning Commission approve an application for a Tentative Map to convert 18 existing residential units to condominiums and waive the requirement to underground existing overhead utilities?

Staff Recommendation:

1. APPROVE Tentative Map No. 169265;
2. APPROVE Coastal Development Permit No. 174907; and
3. WAIVE the requirement to underground overhead utilities.

Community Planning Group Recommendation: The Ocean Beach Planning Board considered the project at their meeting on April 6, 2005 where a motion to recommend denial carried by a vote of 10-0-0 citing concerns over inadequate parking, displacement of 18 rental units, lack of provision of affordable housing, and a belief that the project would not have a positive impact on the community of Ocean Beach.

Environmental Review: The project has been determined to be exempt from the California Environmental Quality Act (CEQA) in accordance with the State CEQA Guidelines 15301(k), existing facilities.

Fiscal Impact: The cost of processing this application is paid for by the applicant.

Code Enforcement Impact: None with this action.

Housing Impact Statement: The proposed project is the conversion of 18 existing apartment units to condominiums. There would be a loss of 18 rental units and a gain of 18 for-sale units. This project is subject to the Coastal Overlay Zone Affordable Housing Replacement Regulations and has fulfilled its obligations because the Housing Commission survey of existing tenants found no low- or moderate-income tenants. The project therefore is subject to the Inclusionary Housing In-Lieu fee of \$24,850.

BACKGROUND

A “Tentative Map for a Condominium Conversion” is a Process Four, Planning Commission decision per San Diego Municipal Code Section 125.0430. A Tentative Map for Condominium Conversion may be approved if the decision maker finds that the proposed division of land complies with the requirements of the Subdivision Map Act and the San Diego Municipal Code.

The developed 13,966 square foot (0.32 acre) site is located at 4940 Del Monte Avenue between Bacon and Cable Streets within the South Ocean Beach neighborhood of the Ocean Beach Precise Plan and Local Coastal Program. The land is designated multifamily residential in the community plan at a density of 25 du/ac. The site is zoned RM-2-4 and is within the Coastal Overlay Zone (Map C-730) permit jurisdiction of the City of San Diego (non-appealable), the Beach Parking Impact Zone (Map C-731), the Residential Tandem Parking Overlay Zone (Map C-903), Airport Approach Overlay Zone (AAOZ), Airport Environs Overlay Zone (AEOZ), Ocean Beach Emerging Historic District, and Council District 2. The surrounding area contains multifamily and single family development. The two-story structure was built as 18 units with 18 parking spaces in 1969 under building permit #G02663.

DISCUSSION

Project Description: The project proposes a change of ownership to convert the existing 18 apartments to 18 condominiums. The project contains a mix of 10 one-bedroom units (approximately 700 square feet each), and eight two-bedroom units (approximately 900 square feet each) for a total of 14,200 square feet of living space. The project consists of one existing two story building built in 1969 on four legal lots with 18 open parking spaces (10 accessible from the alley and 8 accessible from Del Monte Avenue). There are no zoning or code violations associated with the property. A Final Map is required to consolidate the existing four lots into one lot and to subdivide the ownership interest as a condition of the tentative map.

Project-Related Issues:

Municipal Code Conformance - The 13,966 square foot site is currently in the RM-2-4 zone as applied to the site in January 2000. Previous zoning includes the R-1750 zone established in April 1985, and the original R-4 zone applied in April 1930. The two-story structure was built as 18 units with 18 parking spaces in 1969 under building permit #G02663 (Plan File #D11696) under the requirements of the R-4 Zone. Under current RM-2-4 zone, only eight units could be constructed on the site (one unit per 1,750 square feet of lot area on a 13,966 square foot site). Under the R-4 zone as constructed, 18 spaces were required and 18 spaces exist and would remain. However, if constructed today, the 18-unit project within the Parking Impact Overlay

Zone would require 36 parking spaces for this mix of one- and two-bedroom units. The site deviates from current density and parking requirements. However, the project was in conformance with the development codes at the time of development. No code violations exist on the project site. Although the existing multi-unit complex does not meet the current parking or zoning requirements, it has previously conforming rights in accordance with Chapter 12, Article 7, Division 1 of the San Diego Municipal Code (SDMC).

The site is within the Coastal Overlay Zone (Map C-730) permit jurisdiction of the City of San Diego (non-appealable), the Beach Parking Impact Zone (Map C-731), the Residential Tandem Parking Overlay Zone (Map C-903), Airport Approach Overlay Zone (AAOZ), Airport Environs Overlay Zone (AEOZ), and Ocean Beach Emerging Historic District. Future expansion or redevelopment of the project site would be subject to review under these regulations as outlined in Chapter 13, Article 2 of the Land Development Code.

Coastal Overlay Zone – The project location is within the Coastal Overlay Zone (Map C-730) which is permit jurisdiction of the City of San Diego and non-appealable to the California Coastal Commission. Pursuant to §126.0708(a) of the San Diego Municipal Code, findings for Coastal Development Permit 174907 are substantiated in the Resolution attached. The project site is not within the First Public Roadway, contains no Environmentally Sensitive Lands, is a consistent land use as designated in the Precise Plan, and does not encroach on physical or visual access to the ocean.

Airport Environs Overlay Zone (AEOZ) - The project site is within the Airport Environs Overlay Zone (AEOZ) and within the 65 - 70 decibel (dB) Community Noise Equivalent Level (CNEL) for Lindbergh Field operations. As a permit condition, an Avigation Easement shall be granted to the airport operator for airport noise. Under the existing Lindbergh Field Comprehensive Land Use Plan (CLUP), a recorded Avigation Easement would make this a compatible land use.

Airport Approach Overlay Zone (AAOZ) - The project site is within the Airport Approach Overlay Zone (AEOZ) for Lindbergh Field operations. Pursuant to §132.0202, structures less than 30 feet high are exempt from further requirements of the AAOZ.

Undergrounding Waiver Request - There are existing overhead facilities adjacent to the project site. San Diego Municipal Code Section 144.0240 allows the subdivider to apply for a waiver of the requirement to underground the existing overhead utilities within the boundary of the parcel or subdivision. Staff has determined the undergrounding waiver request qualifies under the guidelines of Council Policy 600-25, Underground Conversion of Utility Lines at the Developers Expense, in that it would not represent a logical extension to an underground facility, would represent an isolated undergrounding, and involves a short span (less than a full block in length). The project is located within Block 2Q for which an undergrounding date has been set by Council for Fiscal Year 2010 allocation.

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. The San Diego Housing Commission completed a tenant income survey of the existing residents which found the following existing conditions: no units occupied by *low-income* or *moderate-income* households Pursuant to the March 21, 2005 direction from the Housing Commission, the applicant has no further obligations to provide affordable replacement housing or an in-lieu fee pursuant to the Coastal Affordable Housing Replacement Regulations of the Municipal Code at Sections 143.0810 through 143.0860. The project, therefore, is subject to the Inclusionary Housing In-Lieu fee. The project provides 14,200 square feet of living space and would there be required to pay an in-lieu fee of \$1.75 per square foot for a total of \$24,850 or set aside 10% of the units as Affordable.

Noticing - California State Law and the City's Municipal Code require that all tenants living within a proposed condominium conversion project, and all persons applying for a rental unit within such a project, must receive adequate notice (see California Government Code Section 66427.1 and San Diego Municipal Code Sections 125.0431 and 125.0640). The applicant has certified that the required 60-day Notice of Intent to Convert to Condominiums was provided to the tenants on October 20, 2004. Government Code 66452.3, requires that a copy of the staff report be served to each tenant, on each least 72-hours (three calendar days) prior to the Hearing Officer hearing. This requirement will be fulfilled on or before April 2, 2005.

Conclusion:

Staff has reviewed the proposed condominium conversion and found it to be in conformance with the applicable sections of the San Diego Municipal Code regulating Tentative Maps and land use policies. Staff has determined that the required findings can be made as the project meets the applicable San Diego Municipal Code regulations and requirements. Staff recommends approval of the project as proposed.

ALTERNATIVES

1. Approve Tentative Map No. 169265 and Coastal Development Permit No. 174907 with modifications.
2. Deny Tentative Map No. 169265 and Coastal Development Permit No. 174907 if the findings required to approve the project cannot be affirmed.

Respectfully submitted,

**Marcela Escobar-Eck
Deputy Director, Project Management Division
Development Services Department**

**Cory Wilkinson, Project Manager
Development Project Manager
Development Services Department**

Attachments:

1. Area Location
2. Aerial Photograph
3. Zone
4. Community Plan Land Use Map
5. Project Data Sheet
6. Tentative Map
7. Draft Tentative Map Resolution
8. Draft Coastal Development Permit Resolution
9. Draft Coastal Development Permit
10. Ownership Disclosure Statement
11. Project Chronology
12. Noticing
13. Ocean Beach Planning Board Recommendation
14. Undergrounding Map and Schedule
15. Housing Commission Requirements