

DATE ISSUED: June 23, 2005 **REPORT NO. PC-05-208**

ATTENTION: **Planning Commission, Agenda of June 30, 2005**

SUBJECT: Rex Avenue Tentative Map - PROJECT NO. 49222
PROCESS FOUR

OWNER/ Li Tang and Zhi Gao (Attachment 8)

APPLICANT: **Elizabeth Pena, Westone Management Consultants**

SUMMARY

Issue(s): Should the Planning Commission approve a Tentative Map to convert fourteen (14) existing residential units to condominiums and a request to waive the requirement to underground existing overhead utilities on a 0.304 acre site at 5350 Rex Avenue in the RM-1-2 Zone within the City Heights Neighborhood of the Mid-City Communities Plan area?

Staff Recommendation:

1. **APPROVE** Tentative Map No. 146535
2. **APPROVE** request to waive the requirement to underground existing overhead utilities.

Community Planning Group Recommendation: On January 3, 2005, the City Heights Area Planning Committee voted 6-4-1 to approve the tentative map and deny the undergrounding waiver.

Environmental Review: The proposed activity is categorically exempt from CEQA pursuant to Article 19, Section 15301(k), Existing Facilities of the State CEQA Guidelines.

Fiscal Impact Statement: None with this action. All costs associated with the processing of this project are being paid by the applicant.

Code Enforcement Impact: None with this action.

Housing Impact Statement: With the proposed conversion of fourteen (14) existing apartments to condominiums, there would be a loss of fourteen (14) rental units and a gain of fourteen (14) for-sale units. This condominium conversion project was deemed complete on September 22, 2004, and is therefore subject to the new regulations regarding inclusionary housing and tenant relocation assistance.

BACKGROUND

The 0.304 acre site is located at 5350 Rex Avenue (between Shiloh Road and 54th Street) in the RM-1-2 Zone within the City Heights Neighborhood of the Mid-City Communities Plan area. The Community Plan designates this site for multi-family residential development and the residential use existing is consistent with this designation. The site is presently developed with two two-story structures consisting of six 1-bedroom and eight 2-bedroom residential units. The site provides a total of twenty (20) off-street parking spaces.

Building permits were issued for two separate 7-unit apartments (5350 and 5358 Rex Avenue). All development complies with the zoning and development regulations in effect at the time of construction. No Building or Zoning Code violations have been recorded against the property.

Surrounding land use consists of a mixture of single-unit and multi-unit residential developments to the south and west; and commercial to the north and east. No physical changes to the buildings or site are being proposed with this condominium conversion.

DISCUSSION

Project Description:

The project proposes a Tentative Map for the subdivision of a 0.304 acre site to convert fourteen (14) existing dwelling units into condominiums on one lot (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 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 and the conversion would not represent a logical extension to an under-grounding 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 only at the rear of the properties in the alley. The closest pole locations to this project are two located in the alley north of this development. The City's Undergrounding Master Plan for Fiscal Year 2004 designates the site within Block 7A, scheduled for undergrounding in 2006. (Attachment 10).

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 Condominiums was provided to the tenants on August 19, 2004 (Attachment 11).

This project was Deemed Complete on September 22, 2004. All condominium conversion projects Deemed Complete after February 7, 2004, must conform to the regulations regarding inclusionary housing and tenant relocation benefits adopted by the City Council on March 15, 2004. The property owner has opted to pay the in-lieu fee established by the Inclusionary Housing Ordinance rather than providing affordable units on site. Based on the date the project was deemed complete and the number of units, the in-lieu fee for this project is calculated at \$1.75 per square foot. The gross floor area for this project is 10,800 square feet. The in-lieu fee will be \$18,900.00. Relocation benefits will be based on a Housing Commission tenant survey anticipated to be conducted after the approval of the tentative map and prior to the recordation of the final map. Both the in-lieu fee and the relocation assistance are conditions of the Tentative Map Resolution.

On January 3, 2005, the City Heights Area Planning Committee voted 6-4-1 to approve the tentative map and deny the undergrounding waiver.

Conclusion:

Staff has reviewed the request for a Tentative Map to convert fourteen (14) existing residential units to condominiums and a request to waive the requirement to underground 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. 146535 **with modifications.**
2. **Deny** Tentative Map No. 146535 **if the findings required to approve the project cannot be affirmed.**

Respectfully submitted,

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

John Cruz, Project Manager
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Attachments:

1. Aerial Photograph
2. Community Plan Land Use Map
3. Project Location Map
4. Project Data Sheet
5. Tentative Map Exhibit
6. Draft Map Conditions and Subdivision Resolution
7. Community Planning Group Recommendation and Minutes
8. Ownership Disclosure Statement
9. Project Chronology
10. City's Undergrounding Master Plan - Map 7A
11. Copy Of Tenant Notice and Certification