| DATE ISSUED: | July 6, 2006 | REPORT NO. PC-06-201 |
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| ATTENTION: | Planning Commission, Agenda of July 13, 2006 | |
| SUBJECT: | 633 715 MISSOURI T PROCESS FOUR | ENTATIVE MAP – PROJECT NO. 85515. |
| OWNER/ APPLICANT: | Maxalta, LLC, a California Limited Liability Company, by Mr. Martin McGee (Sole Owner). | |

SUMMARY

Issue(s): Should the Planning Commission approve a Tentative Map, Waiver of Undergrounding Utilities and a Coastal Development Permit for the conversion of 35 existing residential units to condominiums at 633-715 Missouri Street within the Pacific Beach Community Plan Area?

Staff Recommendation:

- 1. APPROVE; Tentative Map and Waiver of Undergrounding Utilities No. 271038; and
- 2. APPROVE Coastal Development Permit No. 271039.

Community Planning Group Recommendation:

The Pacific Beach Community Planning Committee considered this application on March 22, 2006, and voted 7-4-0 to recommend approval with conditions and concerns expressed. The committee recommends removing a curb cut on Missouri Street and adding landscaping in its place, removing a storage room on the rear alley and restoring a parking space. Also, the group was concerned that this previously conforming development has only 20 off-street parking spaces existing.

Other Recommendations: None

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). This project is notpending an appeal of the environmental determination. The environmental exemption determination for this project was made on October 17, 2005, appealed on October 19, 2005, and withdrawn by the appellant on March 24, 2006.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 35 existing apartments to condominiums, there would be a loss of 35 rental units and a gain of 35 for-sale units. This condominium conversion project was deemed complete on October 3, 2005, and is therefore subject to the new regulations regarding Inclusionary Housing, tenant relocation assistance, and the Coastal Affordable Housing Compliance program.

BACKGROUND

The 043 -acre site is located at 633 715 Missouri Street in the RM-5-12 Zone within the Pacific Beach Community Plan, Parking Impact Overlay, Transit Area Overlay, Coastal Height Limit Zone, Residential Tandem Parking Overlay, and the Coastal Overlay Zone (Appealable area). The site is presently developed with 26 studio apartments, five 2-bedroom units, and four 1-bedroom units within two 2-story structures and two 1-story structures. Twenty existing parking spaces exist on-site with 5 in garages, 14 in carports and 1 open space. All but one parking space is accessed from the abutting alley on the south side of the site. The site is bounded on the west and east by commercial uses with residential to the north and south. The site lies between Mission Boulevard on the east and the beach and shoreline of the Pacific Ocean on the west.

The existing improvements were constructed in 1939, 1952, 1953 and 1955. The project does not conform to the current maximum density of one unit per 1500square feet in the RM-5-12 Zone which would allow for 12 units to be constructed today. Under current criteria, 64 off-street parking spaces would be required for the existing 35 dwelling units. 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 (Attachments 5 and 6) and a Coastal Development Permit (Attachment No. 7) for the subdivision of a 0.43-acre site to convert 35 existing dwelling units into condominiums on eight existing lots. 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 decision-maker may approve a Tentative Map for the purposes of the conversion of residential property into a condominium project if the decision-maker 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.

A Coastal Development Permit (CDP) is required under San Diego Municipal Code (SDMC) Section 126.0701 as the processing of a Tentative Map is defined as development subject to a CDP.

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*, in that the conversion involves a short span of overhead facility (less than a full block in length) and it has been determined that such conversion is not a part of a continuing effort to accomplish a total undergrounding within a specific street or area.

The applicant will be required to underground all existing service to the site per Condition No. 18 of the draft Tentative Map Resolution (Attachment 6). The applicant would also be required to underground any new service run to any new or proposed structures within the subdivision per Condition No. 19 of the draft Tentative Map Resolution.

The neighborhood currently contains power poles and overhead utilities lines in the alley rightof-way. Three power poles serve this property from the south side of the abutting alley. If the Waiver of Undergrounding is not granted, two power poles would be removed and one new power pole would be required to underground 250-feet of existing power lines. 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 Block2V, and the date for undergrounding has not been determined by the City Council (Attachment 12).

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 October 3, 2005, 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 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. Under the regulations in effect, the 'in-lieu fee' for this 18,431 square-foot facility would be \$46,077.50.

The project site is located within the Coastal Overlay Zone and subject to the Coastal Overlay Zone Affordable Housing Replacement Regulations, Section 143.0810 of the Municipal Code. The San Diego Housing Commission staff received the application from the applicant and following a survey of existing tenants, has determined that one studio unit is occupied by a moderate income household and one 1-bedroom unit is occupied by a low-income household. An 'in-lieu fee' of \$50,400.00 (subject to change) is required to be paid to the Housing Commission with the final amount determined depending on the fee schedule in place at the time the Coastal In-lieu Fee is due and payable.

The Coastal Overlay Zone Affordable Replacement Regulations 'fee' exceeds the 'in-lieu fee' applicable to this project and is the fee imposed as Condition No. 10 (Attachment No. 6).

This project is within the Coastal Overlay Zone and the new regulations adopted by the City Council on June 13, 2006, will not become effective within the Coastal Overlay Zone until the California Coastal Commission hears and certifies the new regulations.

Conclusion:

Staff has reviewed the request for a Tentative Map, Waiver of Undergrounding Utilities, and a Coastal Development Permit for the conversion of 35 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 and the Coastal Development Permit. Staff believes the requirement findings can be supported and recommends the Planning Commission approve the project as proposed.

ALTERNATIVES

- 1. Approve Tentative Map and Waiver of Undergrounding Utilities No. 271038, and Coastal Development Permit No. 271039
- 2. Deny Tentative Map and Waiver of Undergrounding Utilities No. 271038, and Coastal Development Permit No. 271039, if the findings required to approve the project cannot be affirmed.

Respectfully submitted,

Mike Westlake Program Manager Development Services Department Robert Korch Project Manager Development Services Department

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. Draft Coastal Development Permit with Conditions
- 8. Draft Coastal Development Permit Resolution with Findings
- 9. Community Planning Group Recommendation
- 10. Ownership Disclosure Statement
- 11. Project Chronology
- 12. City Council Undergrounding Schedule