

DATE ISSUED: August 24, 2006

REPORT NO. PC-06-231

ATTENTION: Planning Commission, Agenda of August 31, 2006

SUBJECT: **909 DIAMOND TENTATIVE MAP - PROJECT NO. 93544.**
PROCESS 4.

**OWNER/
APPLICANT:** Bruce McKillican (Attachment 9)

SUMMARY

Issue(s) - Should the Planning Commission approve Tentative Map No. 30149, Coastal Development Permit No. 302289 and waive the requirement to underground existing utilities to convert eight existing residential units to condominiums at 909 Diamond Street in the Pacific Beach Community Plan area?

Staff Recommendation -

1. APPROVE Tentative Map No. 30149, Coastal Development Permit No. 302289 and waive the requirement to underground existing utilities.

Community Planning Group Recommendation - The Pacific Beach Community Planning Group had not taken action to make a recommendation on the project prior to printing of this report. If a recommendation is available it will be presented during the public hearing.

Environmental Review - The project is exempt from the California Environmental Quality Act (CEQA) pursuant to Article 19, Section 15301(k) as "Existing Facilities." This project is not pending an appeal of the environmental determination. The environmental exemption determination for this project was made on October 24, 2005, and the opportunity to appeal that determination ended November 7, 2005. This Tentative Map has no outstanding environmental appeals.

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 eight existing apartments to condominiums, there would be a loss of 8 rentals units and a gain of 8 for-sale units. This Tentative Map and Coastal Development Permit request was deemed complete subsequent to February 7, 2004, and therefore is required to comply with the inclusionary affordable housing requirements.

BACKGROUND

The 0.29 acre site is located at 909 Diamond Street in the RM-1-1 zone between Bayard and Cass Streets in the Pacific Beach Community Plan area. The surrounding land uses are residential to the north, east, south and west. Specifically the existing uses include multi-family and a small number of single family uses. The Land Use Element of the Pacific Beach Community Plan designates the site for Multi-family Residential at 9-14 dwelling units per acre (Attachment 1). The 0.29 acre site has been developed at an approximate density of 28 dwelling units per acre (Attachment 2). Within areas designated for attached housing, the Pacific Beach Community Plan does not address the issue of single versus condominium or fractional ownership.

The existing development was constructed in 1970's (Attachment 3). At the time the property was developed the approved construction met all current regulations. The site is presently improved with three apartment buildings. The buildings include a total of six two bedroom units at 1,034 square feet each, one one-bedroom unit at 845 square feet and one one-bedroom unit at 162 square feet. The original development provided fourteen parking spaces.

The development complied with the zoning and development regulations in effect at the time of construction. No Building or Zoning Code violations are recorded against the property. The project has previously conforming rights to be maintained as outlined in Chapter 12, Article 7, Division 1 of the Land Development Code. The site of the proposed conversion of apartments to condominiums is within the Coastal Zone. The new regulations adopted by the City Council regarding condominium conversions do not apply within the Coastal Zone until certified by the California Coastal Commission. This certification has not occurred and the regulations do not apply to the proposed conversion.

DISCUSSION

Project Description

The current application proposes a Tentative Map and Coastal Development Permit (Attachment 4) to convert the existing eight residential units to condominiums. Utilities are existing above

ground in the alley right-of-way between Bayard and Cass Streets. No physical changes to the developed site are proposed or will occur should the Planning Commission action be to approve the application.

Section 125.0410 of the San Diego Municipal Code (SDMC) requires a Tentative Map be processed for the subdivision of land. According to SDMC §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 the proposed conversion complies with the requirements of the Subdivision Map Act and the San Diego Municipal Code. Section 126.001 of the San Diego Municipal Code (SDMC) requires a Coastal Development Permit be processed for any development in the Coastal Zone. The subdivision of land is deemed to be development and a Coastal Development Permit is required. In the Coastal Zone, a Tentative Map and Coastal Development Permit shall be processed for the subdivision of land. Staff has reviewed the proposed condominium conversion and determined it complies with both the Subdivision Map Act and San Diego Municipal Code.

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, the conversion would represent an isolated undergrounding with a minimum probability of extension in the future, 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 Nos. 6 and 7 of the draft Tentative Map resolution (Attachment 5).

An existing power pole is immediately behind the property on the south side of the alley which is part of the utility system carrying utility lines throughout the neighborhood. Neighboring sites adjacent and across the alley from the subject property receive electrical, telephone and/or cable service from these overhead lines. Undergrounding those services adjacent to the subject property would disrupt properties not included in the proposed project. The City's Undergrounding Master Plan for Fiscal Year 2004 designates the site within Block 2V. At this time the City does not have funding nor a date for a proposed undergrounding project in this neighborhood (Attachment 7).

CONDOMINIUM CONVERSION REGULATIONS

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

The applicant has certified on March 21, 2006 that the required 60-day Notice of Intent to Convert to Condominium was provided to the tenants (Attachment 8).

All condominium conversion projects deemed complete on or after February 7, 2004, must comply with new regulations addressing inclusionary housing and tenant relocation benefits adopted by the City Council on March 15, 2004. This proposed project was deemed complete on January 27, 2006, is subject to these regulations and has been conditioned to comply with the requirements. The applicant has elected to pay an in lieu fee in the amount of \$10,905.00 to meet these requirements.

CONCLUSION

Staff has reviewed the request for a Tentative Map and Coastal Development Permit for the conversion of eight 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, Coastal Development Permits and the waiver from the requirement to underground the existing overhead utilities. Staff has provided draft findings to support approval of the Tentative Map (Attachment 5) and the Coastal Development Permit (Attachment 6) and recommends the Planning Commission approve the project as proposed.

ALTERNATIVES

1. Approve Tentative Map No. 301491, Coastal Development Permit No. 302289 and waive the requirement to underground existing utilities, with modifications.
2. Deny Tentative Map No. 301491, Coastal Development Permit No. 302289 and waive the requirement to underground existing utilities, if the findings required to approve the project cannot be affirmed.

Respectfully submitted,

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HALBERT/JSF

- Attachments:
1. Community Plan Land Use Map
 2. Aerial Photograph
 3. Project Location Map
 4. Tentative Map
 5. Draft Map Conditions and Subdivision Resolution
 6. Draft Coastal Development Permit Resolution
 7. Underground Project Schedule
 8. Government Code 66452.3; self-certification statement
 9. Ownership Disclosure Statement
 10. Project Chronology
 11. Project Data Sheet
 12. Draft Coastal Development Permit No. 302289