

**DATE ISSUED:** August 24, 2006

**REPORT NO. PC-06-245**

**ATTENTION:** Planning Commission, Agenda of August 31, 2006

**SUBJECT:** ARCHSTONE HARBORVIEW CONDOMINIUMS - PROJECT NO. 73540.  
PROCESS 4

**OWNER:** Archstone-Smith Operating Trust (Attachment 9)

**APPLICANT:** Rick Engineering Company

**SUMMARY**

**Issue(s):** Should the Planning Commission approve a Coastal Development Permit and a Tentative Map to allow the conversion of 387 residential units into condominiums on a site located in the Centre City Planning Area?

**Staff Recommendation:**

1. APPROVE Coastal Development Permit No. 361878
2. APPROVE Tentative Map No. 362356

**Community Planning Group Recommendation:** On August 17, 2005, the Centre City Advisory Committee (CCAC) recommended approval of the project by a vote of 11 in favor, 9 opposed, with 3 abstentions.

**Environmental Review:** This project is categorically exempt from the California Environmental Quality Act per Article 19, Section 15301(k), Existing Facilities. This project is not pending an appeal of the environmental determination. The environmental exemption determination for this project was made on July 15, 2005, and the opportunity to appeal that determination ended July 30, 2005.

**Fiscal Impact Statement:** None, as Archstone-Smith Operating Trust is responsible for all processing costs for this project.

**Code Enforcement Impact:** There are no Code Enforcement violations associated with this project.

**Housing Impact Statement:** The proposed project is the conversion of 387 existing apartment units to condominiums. There would be a loss of 387 rental units and a gain of 387 for-sale units. This project is subject to the Inclusionary Housing and Coastal Affordable Replacement Regulations, which are conditions of the proposed Tentative Maps for Condominium Conversions. The applicant proposes to pay an In-Lieu fee of \$561,986.25 to the Housing Commission and provide seven (7) units on-site at no more than 150% AMI.

## **BACKGROUND**

The 2.32-acre project site is located at 780 and 820 W. G Street and is comprised of two parcels that are located along Pacific Highway between F Street and G Street (Attachment 1). The project site is within the Marina Neighborhood and Marina Planned District of the Centre City Community Plan, as well as the Non-Appealable Coastal Overlay Zone and Airport Approach Overlay Zone (Attachment 2).

The project consists of two multi-family buildings constructed above underground parking. The site is divided by a 40-foot, non-vehicle, pedestrian access easement placed over a vacated portion of California Street. The buildings were constructed pursuant to the Marina Planned District Ordinance and Coastal Development Permit No. 89-1301, which was issued on December 7, 1989. Building "A" is a four-story, 25-unit structure, located at 820 W. G Street and was constructed under building permit number B005169-90. Building "B" is a four-story, 136-unit structure, located at 780 W. G Street constructed under building permit number B005170-90. Both buildings received a Certificate of Occupancy on September 23, 1992.

Building "A" is comprised of 81 studio units, 33 loft units, 115 one-bedroom units and 22 two-bedroom units, for a total of 251 units, with 94 parking spaces. Building "B" is comprised of 68 studio units, 15 loft units, 45 one-bedroom and eight (8) two-bedroom units, for a total of 136 units, with 150 parking spaces. Combined, these two buildings contain 387 residential units and 454 parking spaces.

The project is surrounded by a commercial store to the north, trolley and railroad lines to the east a hotel to the south and Navy property to the west.

## **DISCUSSION**

**Project Description:** The project proposes to convert the existing 387 apartments to 387 condominiums. Current parking requirements for the project, if developed today, would be 387 spaces. The project was constructed with, and proposes to maintain the existing 454 parking spaces, which exceeds current parking requirements. Regarding development regulations, the project has established previously conforming rights. Further, as this project lies within the Non-Appealable Coastal Zone, new regulations adopted by City Council regarding the conversion of rental units to condominiums are not yet applicable. Finally, there are no zoning or code violations associated with the property.

### **Project-Related Issues:**

Municipal Code Conformance – The site is within the Coastal Overlay Zone (Map C-730) permit jurisdiction of the City of San Diego (non-appealable) and the Airport Approach Overlay Zone (AAOZ.) 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.

Tentative Map – The project proposes the conversion of 38 existing residential rental units into condominium units (Attachment 5). Section 125.0410 of the San Diego Municipal Code requires that a Tentative Map be processed for the subdivision of land. According to San Diego Municipal Code Section 144.0444, Findings for Tentative Maps for Condominium Conversion, 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 (Attachment 6.) No construction is required for compliance with this Tentative Map.

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 not appealable to the California Coastal Commission. Pursuant to §126.0708(a) of the San Diego Municipal Code, findings for Coastal Development Permit 219384 (Attachment 7) are substantiated in the draft resolution (Attachment 8). The project site is not within the First Public Roadway, contains no Environmentally Sensitive Lands, is a consistent land use as designated within the Centre City Planned District, and does not encroach on physical or visual access to the ocean.

Airport Approach Overlay Zone - The project site is within the Airport Approach Overlay Zone (AAOZ) for Lindbergh Field operations. However, the project does not lie within the Airport Influence Zone (AIA), nor is any development proposed with project. As such, per San Diego Municipal Code Section 132204, Table 143 -02 A, this project is exempt from review by the Airport Authority.

Noticing - 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 January 12, 2006 (Attachment 11.)

Utilities: All utilities serving the site are currently placed underground.

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. On June 23, 2006, the San Diego Housing Commission completed a tenant income survey of the existing residents which found sixteen units occupied by low and moderate-income households. The applicant must set aside seven studios, three 1-bedroom and one 2-bedroom replacement units affordable to low-income households and two studios and three 1-bedroom replacement units affordable to moderate-income households for a period of five years or pay a Coastal In-Lieu fee of \$417,400 pursuant to the Coastal Affordable Housing

Replacement regulations of the Municipal Code at Sections 143.0810 through 143.0860.

In addition, this project is subject to the Inclusionary Housing requirements of San Diego Municipal Code Chapter 14, Article 2, Division 13. The Inclusionary Housing In-Lieu Fee would be \$561,986.25 based on 321,135 square feet of living space at the rate of \$1.75/square foot.

For projects that have both Inclusionary Housing and Coastal Affordable Housing requirements, the project is only subject to the more stringent of the two requirements, not both. In this case, the Inclusionary Housing In-Lieu fee of \$561,986.25 is more stringent. Further, the subdivider has also agreed to provide seven (7) units on-site at no more than 150% AMI.

**Community Planning Group Recommendation:** On August 17, 2005, the Centre City Advisory Committee (CCAC) recommended approval of the Tentative Map by a vote of 11 in favor, 9 against with 3 abstaining. The subjects discussed prior to the vote were concerns over the potential dwindling amount of “affordable” for-rent apartment opportunities in the downtown area. Representatives from the Real Estate community expressed concern that an excess of studio and one-bedroom units already exist on the market for downtown. Other members of the committee felt that consistent, broader guidance and/or restrictions on condo conversions needed to be developed for all of downtown, rather than haphazard decisions applied to individual projects. Comments were also offered that appropriate data needs to be collected and provided in order to make more informed decisions.

## **CONCLUSION**

Staff has reviewed the request for a Tentative Map for the conversion of 387 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 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.

## **ALTERNATIVE**

1. Approve Coastal Development Permit No. 361878 and Tentative Map No. 362356 with modifications.
2. Deny Coastal Development Permit No. 361878 and Tentative Map No. 362356 if the findings required to approve the project cannot be affirmed.

Respectfully submitted,

---

Mike Westlake  
Program Manager,  
Development Services Department

---

Peter Lynch  
Development Project Manager,  
Development Services Department

**Attachments:**

1. Project Location Map
2. Community Plan Land Use Map
3. Aerial Photo
4. Project Data Sheet
5. Tentative Map Exhibit
6. Draft Tentative Map Resolution, with Findings and Conditions
7. Draft Coastal Development Permit Resolution, with Findings and Conditions
8. Draft Coastal Development Permit
9. Ownership Disclosure Statement
10. Project Chronology
11. Copy of Tenant Notices
12. Photo Survey