

**CITY OF SAN DIEGO  
M E M O R A N D U M**

DATE: February 3, 2005

TO: Planning Commission

FROM: William Zounes, Development Project Manager

SUBJECT: Southgate Condominium Conversion, Project Number 32312 – Continuance from December 9, 2004 Planning Commission Hearing

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On December 9, 2004 the Planning Commission heard the Southgate Condominium Conversion project and continued the item. Staff and the applicant were directed to return on February 3, 2005 with information regarding required noticing practices, tenant assistance, and information on how the General Plan addresses condominium conversion projects. The Planning Commission asked staff to return with information on the following questions:

- I. Clarify condominium conversion noticing requirements for the Southgate Condominium Conversion project and answer the following question: Were the public notices consistent with the City and State Map Act requirements?
- II. How has the owner created additional dialog with the tenants regarding relocation assistance and providing information on purchasing a unit? Has the owner explored the possibility of making some of the units condominiums and the others rentals? Has the owner explored the possibility of making all the units affordable?
- III. How are condominium conversions addressed in the existing 1999-2004 General Plan Housing Element and how they will be addressed in the 2005-2010 Housing Element currently being drafted by the Planning Department (Attachment 18)?

See discussion items I through III below for staff response to the above items.

Project Description

The project continues to propose the conversion of 188 apartments to condominiums. There has been no change to the project since the December 9, 2004 hearing. For detailed information regarding site location and history of the previous hearings, please refer to Attachment 1, Planning Commission Report No. PC-04-154 dated September 30, 2003.

## Discussion

### **I. Clarify condominium conversion noticing requirements for the Southgate Condominium Conversion project and answer the following question. Were the notices that were sent consistent with the City and State Map Act requirements?**

The City Attorney will address this issue in a separate analysis.

### **II. How has the owner created additional dialog with the tenants regarding relocation assistance and providing information on purchasing a unit? Has the owner explored the possibility of making some of the units condominiums and the remaining rentals? Has the owner explored the possibility of making all the units affordable?**

- On January 18, 2005, the applicant for the Southgate Condominium Conversion project attended a meeting hosted by the Association of Community Organization for Reform Now (ACORN) an advocate union which represents individuals of low and moderate income. At the meeting the applicant stated that he would provide the following:
  1. Three months relocation assistance to each tenant that qualifies.
  2. \$1,500.00 towards the purchase of the unit.
  3. The price will range from an estimated \$230,000.00 to \$275,000.00.
  4. Provide improvements to the exterior and interior of each unit.
  5. Provided a list of apartment rentals within a five mile radius.
  6. Conversion will take five to six years.
  7. Can contact owner who will put them in touch with a lender who can answer financial questions and provide a variety of loan information.
  
- The owner explored the possibility of making some of the units condominiums and others remaining apartment rentals. However, he has stated that he is not interested at this time in pursuing this option.
  
- The owner explored the possibility of making all the units affordable. However, he has stated that he is not interested at this time in pursuing this option.

### **III. How are condominium conversions addressed in the existing 1999-2004 General Plan Housing Element and how they will be addressed in the 2005-2010 Housing Element which is currently being prepared.**

The existing Housing Element does not directly address the issue of condominium conversions. At the time that document was written (1999-2000) no condominium conversions had occurred in San Diego for more than a decade and the City had no specific policies addressing condominium conversions. The 2005-2010 Housing Element is currently being prepared and will be coming to the Planning Commission for review during 2005. In

response to the Council, the first draft of the Housing Element will not contain goals or objectives regarding a specific desired level of condominium conversions and will not contain goals intended to either limit conversions or encourage conversions. The draft will contain a goal to continue providing relocation payments to low income residents impacted by conversions and to apply the Inclusionary Ordinance to conversions.

Even though the applications for condominium conversions have increased dramatically in the last year the overall vacancy rate has stayed steady at three to four percent.

In conclusion, staff has determined that the required findings for the Tentative Map can be made as the project meets the applicable San Diego Municipal Code regulations and requirements. Staff recommends approval of the project as proposed.

William Zounes  
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Development Services Department

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**Attachments:**

1. Report to the Planning Commission for September 30, 2004 Hearing
2. Notice of Application requirements
- 2a. Notice of Application
3. Posting Notice of Application requirements
- 3a. Posting Notice of Application verification
4. Published Notice for Public Hearing
- 4a. Published Notice for Public Hearing verification
5. Notice of Public Hearing requirements
- 5a. Notice of Public Hearing
6. Notice of Intent to Convert – 60 day notice requirements
- 6a. Notice of Intent to Convert – 60 day notice
7. Notice of Intent to Convert for Prospective Tenants requirements
- 7a. Notice of Intent to Convert for Prospective Tenants
8. 180-Day Notice of Intent to Convert prior to termination of tendency requirements
- 8a. 180-Day Notice of Intent to Convert prior to termination of tendency.
9. 10-day Notice of Application for Public Report requirements
- 9a. 10-day Notice of Application for Public Report
10. Notice of (90-Day) Exclusive Right to Purchase requirements

- 10a. Notice of (90-Day) Exclusive Right to Purchase
11. Planning Commission report to tenants at least three days prior to the public hearing requirements
12. Revised Tentative Map resolution (strike out underline).
13. Southgate Notice Requirement Table
14. Planning Commission Report No. P-03-340 November 13, 2003
15. City Manager's Report No. 04-010 February 3, 2004
16. Condominium Conversion Process Flow Chart
17. Planning Commission Memo December 9, 2004
18. Planning Department Response to Condominium Conversion within the Housing Element from December 9, 2004 hearing