



THE CITY OF SAN DIEGO

REPORT TO THE PLANNING COMMISSION

DATE ISSUED: May 24, 2007 **REPORT NO:** PC-07-062

ATTENTION: Planning Commission, Agenda of May 31, 2007

SUBJECT: 4255 WINONA AVENUE TENTATIVE MAP; PROJECT NO. 87147
PROCESS FOUR

OWNERS: MJX Properties, Inc. (Attachment 8)

APPLICANT: K&S Engineering

SUMMARY

Issue: Should the Planning Commission approve a Tentative Map for the conversion of seven (7) existing residential units to condominiums at 4255 Winona Avenue, within the City Heights neighborhood of the Mid-City Communities Plan Area?

Staff Recommendation:

1. **Approve** Tentative Map No. 277066 and the requested waiver of the requirement to underground the existing overhead utilities.

Community Planning Group Recommendation: On November 6, 2006, the City Heights Community Planning Group voted 8-7-0 to recommend approval of the project with conditions as described in the meeting minutes (Attachment 7).

Environmental Review: This project was determined to be categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Article 19 Section 15301 on November 21, 2005. An appeal of the CEQA determination was previously made and the City Council denied the CEQA appeal on July 31, 2006. Therefore, the scope of the subject hearing only includes the project, not the environmental determination.

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

Code Enforcement Impact: None with this project.

Housing Impact Statement: With the proposed conversion of seven existing residential units to condominiums, there would be a loss of seven rental units and a gain of seven for-sale units. This condominium conversion project was deemed complete on November 10, 2005, and is therefore subject to the regulations regarding inclusionary housing and tenant relocation assistance.

BACKGROUND

This Tentative Map project is subject to the condominium conversion regulations in effect prior to June 13, 2006, based on the City Council's specific adoption language for the "new" condominium conversion regulations. At the June 13, 2006, hearing, the City Council specifically excluded all projects that had CEQA appeals pending on or before June 13, 2006. This project is one of those which had a pending appeal. That appeal hearing was held on July 31, 2006, and the City Council denied the appellant's appeal of the CEQA determination of exemption. Therefore, the project can proceed to its discretionary hearing.

The 0.14-acre site is located at 4255 Winona Avenue (Attachment 1), on the east side of Winona Avenue between Trojan Avenue and Orange Street, in the RM-1-1 Zone of the Central Urbanized Planned District, the Transit Overlay Zone and the Tandem Parking Overlay Zone within the City Heights neighborhood of the Mid-City Communities Plan area (Attachment 3). The RM-1-1 Zone would allow one unit for every 3,000 square feet of lot area for a maximum of two units on the subject site. The Mid-City Communities Plan designates the site for residential development at a rate of 21-25 dwelling units per acre, or three to four dwelling units allowed on this site. Although the seven existing units exceeds the current density allowance of two units for the site, 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 is developed with 1, two-story multi-family structure that was built in 1989. At that time, the site was zoned MR-1000B, which allowed one unit per 1,000 square feet of lot area, or six units on this site. A Density Bonus Agreement to allow a seventh unit was executed between the original developer and the Housing Commission in October 1989. The building consists of 3 one-bedroom units, 3 two-bedroom units and 1 three-bedroom unit with square footages ranging from 550 to 952 square feet.

There are 11 onsite parking spaces, including four garage parking spaces and seven open parking spaces. All of the open parking spaces are provided at the rear of the site off the alley. The project site is located within the Transit Area Overlay Zone and as such 11 parking spaces would be required for this site. Therefore, the 11 parking spaces provided comply with the current requirements.

The project is located in an established residential area and is surrounded by multi-family residential development on all sides. The project complies with the zoning and development regulations in effect at the time of construction and there are no active Building or Zoning Code violations for the subject property.

Affordable Housing Density Bonus Agreement

The subject property is a seven-unit complex that has one density bonus unit per a Density Bonus Agreement that was executed between the original developer and the Housing Commission in October 1989. The one density bonus unit is rent and occupancy restricted for low income households for 20 years from the date of original occupancy. The Density Bonus Agreement will expire on October 1, 2009.

The Housing Commission has no objection to the property being converted to condominiums; however, the terms of the Density Bonus Agreement require the one designated density bonus unit (currently Unit No. 6, a 2-bedroom unit) to remain rent restricted for the full 20-year term. Upon termination of the Density Bonus Agreement on October 1, 2009, the restrictions will lapse and the property owner may sell the one bonus unit as a market rate unit.

However, as a condition of the Tentative Map, the Housing Commission has requested that certain language be inserted into the Tentative Map Resolution. This affordable housing condition would require the property owner to incorporate into the project's DRE White Paper Report specific language identifying the Density Bonus Agreement and the remaining term of restrictions on the specific density bonus unit.

The Housing Commission has confirmed that all seven units are subject to the City's Inclusionary Housing Ordinance and Tenant Relocation benefits, as discussed further within this report.

DISCUSSION

Project Description:

The project proposes a Tentative Map for the subdivision of a 0.14-acre site to convert seven existing multi-family units in one structure into condominiums (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 undergrounding 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 site is served by existing overhead utility lines which are connected to power poles located along the alley right-of-way at the rear of the property. These power poles also serve other properties in the neighborhood. The City's Undergrounding Master Plan for Fiscal Year 2006 designates the site within Block 7B, which has not yet been assigned a funding date (Attachment 10).

Community Planning Group Recommendation:

On November 6, 2006, the City Heights Community Planning Group voted 8-7-0 to recommend approval of the project with conditions as described in the meeting minutes (Attachment 7). The planning group included two recommendations in their motion. The first was for the applicant to add alley lighting and the second was to affix street numbers on the rear face of the building. Although neither of these recommendations are required by the Municipal Code, the applicant has agreed to provide the requested items.

Project-Related Issues:

The requested conversion of these residential units to condominiums represents primarily a change in ownership. The applicant certified that the required 60-day Notice of Intent to Convert to Condominiums was provided to existing tenants on August 5, 2005 (Attachment 11).

All condominium conversion projects Deemed Complete on or after February 7, 2004, must conform with the new regulations regarding inclusionary housing adopted by the City Council on March 15, 2004. This project was deemed complete on November 1, 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.

The applicant has elected to pay an in-lieu fee of \$6,296 (5,037 square feet x \$1.25) to satisfy the Inclusionary Housing requirement, as allowed by the City's Inclusionary Housing Ordinance (Chapter 14, Article 2, Division 13 of the Land Development Code).

CONCLUSION:

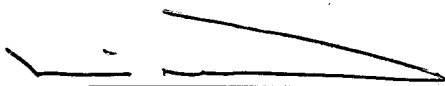
Staff has reviewed the request for a Tentative Map for the conversion of seven existing residential units to condominiums and has found the project to be in conformance with the applicable sections of the San Diego Municipal Code regulating Tentative Maps and Council Policy 600-25 regulating undergrounding of existing overhead utilities.

Staff believes the required findings can be supported and recommends the Planning Commission recommend approval the project as proposed.

ALTERNATIVES:

1. **Approve Tentative Map No. 277066, with modifications.**
2. **Deny Tentative Map No. 277066, if the findings required to approve the project cannot be affirmed.**

Respectfully submitted,



**Mike Westlake
Program Manager
Development Services Department**



**Michelle Sokolowski
Development Project Manager
Development Services Department**

WESTLAKE/MS

Attachments:

1. Aerial Photo
2. Community Plan Land Use Map
3. Project Location Map
4. Project Data Sheet
5. Tentative Map
6. Draft Map Conditions Resolution
7. Planning Group Recommendation
8. Ownership Disclosure Statement
9. Project Chronology
10. Undergrounding Master Plan (7B)
11. Sample 60-Day Notice
12. Photos of Existing Building