

**DATE ISSUED:** April 14, 2005      **REPORT NO. PC-05-110**

**ATTENTION:**      **Planning Commission, Agenda of April 21, 2005**

**SUBJECT:**      **4077 3<sup>RD</sup> AVENUE TENTATIVE MAP - PROJECT NO. 54000.  
PROCESS 4**

**OWNER:**      4077 3<sup>RD</sup> Avenue, LLC

**APPLICANT:**      Sand & Sea Capitol, Inc.

**SUMMARY**

**Issue(s):** Should the Planning Commission approve an application for a tentative map to convert forty existing residential units into condominiums and waive the requirement to underground existing overhead utilities on a 0.16-acre site located at 4077 3<sup>RD</sup> Avenue in the NP-1 Zone of the Mid-City Communities Planned District within the Uptown Community Plan area?

**Staff Recommendations:**

1.      APPROVE Tentative Map No. 163138and
2.      WAIVE the requirement to underground existing overhead utility lines.

**Community Planning Group Recommendation:** On April 5, 2005, The Uptown Community voted 14-0-0 recommending approval of the proposed tentative map with the standard recommendations regarding condominium conversions (Attachment 7). The community recommendation is discussed in greater detail within this report.

**Environmental Review:** The project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Article 19, Section 15301(k), Existing Facilities.

**Fiscal Impact Statement:** None. All of the cost of processing this application is paid for the applicant.

**Code Enforcement Impact:** None.

**Housing Impact Statement:** With the proposed conversion of forty existing apartments to condominiums, there would be a net loss of forty rental units and a net gain of forty for-sale units. This condominium conversion project application was deemed complete on November 16, 2004, and is therefore subject to the regulations regarding inclusionary housing and tenant relocation assistance. The project has been conditioned to require the subdivider to pay an Inclusionary Affordable Housing In-Lieu Fee of \$38,834.25, based on a \$1.75 fee per residential square foot, pursuant to the Affordable Housing Requirements of the City's Inclusionary Housing Ordinance.

## **BACKGROUND**

The project site is located at 4077 3<sup>RD</sup> Avenue within the Uptown Community Plan area (Attachment 1). The 0.37-acre site is designated for medium density residential development between 29 to 44 dwelling units per acre (Attachment 2). The property is in the NP-1 Zone and subject to the development regulations of the Mid-City Communities Planned District Ordinance. Surrounding land use within the neighborhood includes a mix of multi-family development, professional and medical offices and the Scripps Mercy Medical Complex one block east of the property (Attachment 4).

### **Project Description:**

The existing structure is a six-story, 40-unit building with five stories of residential units and two levels of parking (one subterranean level and one at grade). The building includes ten studio units and 30 one-bedroom units with a total of 10 off-street parking spaces.

The existing residential project was constructed in 1987, when the site was zoned R 4 and permitted up to 40 units (1 dwelling unit per 400 square-feet of lot area). The current NP-1 Zone (1 dwelling unit per 600 square feet of lot area) would allow only 27 units to be developed based on the size of the lot. Additionally, current zoning regulations regarding lot coverage would allow for a maximum of 50% of the site to be covered by structure whereas the existing development covers approximately 58% of the property. The project deviates from the current density and lot coverage requirements however the structure and the density have previously conforming rights pursuant to Chapter 12, Article 7, Division 1, of the Land Development Code. Additionally, the project off-street parking facility exceeds the current parking requirement by 51 spaces.

## **DISCUSSION**

The project proposes a Tentative Map for the subdivision of a 0.37-acre site to convert forty existing dwelling units into condominiums on one lot (Attachment 5). The applicant is also requesting that the requirement for the undergrounding of the existing overhead utilities be waived.

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

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 Condominium was provided to the tenants on July 26, 2004, (Attachment 9).

### **Condominium Conversions**

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 regulations.

### **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).

There are no overhead lines along the project frontage on 3<sup>Rd</sup> Avenue however the neighborhood currently contains power poles and overhead utility lines on both sides of the alley right-of-way at the rear of the site. There is one existing pole adjacent to the property within the alley at the southeast corner of the site and another across the alley near the middle of the building. Staff has determined that the existing pole would be required to remain in its current location and an additional pole would be required at the northeast corner in order to support the overhead utilities servicing adjacent properties. The underground effort associated with this development would

only result in a very short span (135feet) of undergrounding and would require the addition or relocation of a power pole. The Citywide Underground Conversion Program Master Plan indicates that the project site is located in Residential District 3-U and tentatively scheduled for comprehensive undergrounding in 2011 (Attachment 10).

### Affordable Housing

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 application was Deemed Complete on November 15, 2004, and is therefore subject to these regulations. The property owner has opted to pay the in-lieu fee established by the Inclusionary Housing Ordinance rather than providing affordable units on site. Based on the date that the project was deemed complete and the number of units, the in-lieu fee for this project is calculated at \$175 per square-foot of gross floor area (excluding garages) which totals approximately \$38,834.25. Relocation benefits will be based on a Housing Commission tenant survey anticipated to be conducted after the approval of the tentative map and prior to the recordation of the final map. Both the in-lieu fee and the relocation assistance are conditions of the Tentative Map Resolution (Attachment 6).

### Community Planning Group Recommendation

The Uptown Community Planning Group (Uptown Planners) recommended approval of the proposed project at their April 5, 2005, meeting by a vote of 14-0-0 (Attachment 7). The motion to approve the Tentative Map includes standard recommendations for condominium conversion projects including the right of first refusal for existing tenants to purchase their units, maximize new landscape and parking opportunities, preserve historic sidewalk scouring patterns and deny the request to waive the requirement to underground existing overhead utilities.

Staff has reviewed the Planning Committee's recommendations and conditioned the draft Tentative Map Resolution accordingly. The draft Resolution for Tentative Map No. 163138 includes specific conditions that would require the subdivider to provide existing tenants with the right of first refusal and to preserve historical sidewalk scoring patterns and contractor date stamps. However, as indicated within this report, the property has previously conforming rights pursuant to Chapter 12, Article 7, Division 1 of the Land Development Code relative to the existing landscape and current off-street parking on the site exceeds the NP-1 requirement. Additionally, staff has determined that the request to waive the requirement to underground existing overhead utilities is consistent with Council Policy 600-25 and would likely require an additional pole in the right-of-way to accomplish the underground effort.

### **Conclusion:**

Staff has reviewed the request for a Tentative Map for the conversion of forty residential units into condominiums and the request to waive the requirements of the undergrounding of existing overhead utilities, and has found the project to be in conformance with the applicable sections of

the San Diego Municipal Code regulating Tentative Maps including the Inclusionary Housing Regulations and Council Policy 600-25 regulating undergrounding of existing overhead utilities. The project is exempt from further CEQA review and has the conditioned support of the City Heights Area Planning Committee. Staff believes the required findings can be supported and recommends the Planning Commission approve the project as conditioned.

**ALTERNATIVES:**

1. Approve Tentative Map No. 163138 with modifications.
2. Deny Tentative Map No. 163138 if the findings required to approve the project cannot be affirmed.

**Respectfully submitted,**

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**Marcela Escobar-Eck  
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Information Division  
Development Services Department**

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**John P. Hooper, Project Manager  
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Development Services Department**

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Attachments:

1. Project Location Map
2. Community Plan Land Use Map
3. Aerial Photograph
4. Project Data Sheet
5. Project Site Plan/Tentative Map
6. Draft Subdivision Resolution with Findings and Map Conditions
7. Community Planning Group Recommendation
8. Ownership Disclosure Statement
9. 60-Day Notice (Sample)
10. Undergrounding Master Plan – Neighborhood 3-U
11. Project Chronology