

**DATE ISSUED:** February 16, 2006

**REPORT NO. PC-06-058**

**ATTENTION:** **Planning Commission, Agenda of March 2, 2006**

**SUBJECT:** 4838 SANTA CRUZ AVENUE TENTATIVE MAP – OCEAN BEACH –  
PROJECT No. 71135, PROCESS 4.

**OWNER:** Glenn L. Goldman, Pruett Realty, Inc.

**APPLICANT:** Nicole Noble, Sterling Land Services

**SUMMARY**

**Issue:** Should the Planning Commission approve a Coastal Development Permit, Tentative Map, and Undergrounding Waiver to convert eight existing residential apartment units to condominiums at 4838 Santa Cruz Avenue, in the RM-2-4 Zone of the Ocean Beach Precise Plan?

**Staff Recommendation:**

1. APPROVE Coastal Development Permit 282869
2. APPROVE Tentative Map No. 216443
3. APPROVE Undergrounding Waiver.

**Community Planning Group Recommendation:** The Ocean Beach Planning Board considered the project at their meeting on January 4, 2006 where a motion to recommend denial carried by a vote of 8-0-0 over concerns of parking, status of the building's mechanical systems, and the reduction of affordable rental units in Ocean Beach (Attachment 9).

**Environmental Review:** The project has been determined to be exempt from the California Environmental Quality Act (CEQA) in accordance with the State CEQA Guidelines 15301(k), existing facilities, September 1, 2005 (Attachment 15). This project is not the subject of an environmental appeal.

**Fiscal Impact:** The cost of processing this application is paid for by the applicant.

**Code Enforcement Impact:** None with this action.

**Housing Impact Statement:** The proposed project is the conversion of 8 existing apartment units to condominiums. There would be a loss of 8 rental units and a gain of 8 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 \$8,025 to the Housing Commission.

## **BACKGROUND**

A Tentative Map to convert existing apartment units into condominiums is a Process Four, Planning Commission decision per San Diego Municipal Code Section 125.0430. A Tentative Map for Condominium Conversion may be approved if the decision maker finds that the proposed division of land complies with the requirements of the Subdivision Map Act and the San Diego Municipal Code.

The developed 7,000-square-foot (0.16 acre) site is located at 4838 Santa Cruz Avenue (Attachment 1) within the South Ocean Beach neighborhood of the Ocean Beach Precise Plan and Local Coastal Program (Attachment 2). The land is designated multifamily residential in the community plan at a high density of 25 du/ac. The site is zoned RM-2-4 and is within the coastal zone permit jurisdiction of the City of San Diego. The site is within the Airport Approach Overlay Zone (AAOZ), the Airport Environs Overlay Zone (AEOZ), and the Ocean Beach Emerging Historic District. The surrounding area contains multifamily and single family development.

## **DISCUSSION**

**Project Description:** The project proposes to convert the existing eight apartments to eight condominiums. The project consists of seven, two bedroom units (835 square feet), and one, one-bedroom unit (575 square feet) in a two story, 3,470-square-foot building built in 1969 with a total of 6,420 square feet of living area. Current parking requirements for the project, if constructed today, would be 18 spaces. The project was constructed with, and proposes eight parking spaces. The project has established previously conforming rights. There are no zoning or code violations associated with the property.

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

**Municipal Code Conformance** – The eight-unit project was constructed in 1969 at a density of 50 dwelling units per acre (du/ac). In 1975, the Ocean Beach Precise Plan established a recommended density for this area at 25 – 38 du/ac. At the time of project construction, the site was zoned R-4 and permitted 17 units. The current RM-2-4 zone would allow 4 units if constructed today (one per each 1,750 square feet of lot area). Under the current Code, 17

parking spaces would be required. However, 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 within the Coastal Overlay Zone (Map C-730) permit jurisdiction of the City of San Diego (non-appealable), the Beach Parking Impact Zone (Map C-731), Airport Approach Overlay Zone (AAOZ), Airport Environs Overlay Zone (AEOZ), and Ocean Beach Emerging Historic District. 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.

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 non-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 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 in the Precise Plan, and does not encroach on physical or visual access to the ocean.

Airport Environs Overlay Zone (AEOZ) - The project site is within the Airport Environs Overlay Zone (AEOZ) and within the 65 decibel (dB) Community Noise Equivalent Level (CNEL) for Lindbergh Field operations. However, an Avigation Easement is not required pursuant to the Municipal Code at Section 132.0309 as there is no increase in the number of dwelling units.

Airport Approach Overlay Zone (AAOZ) - The project site is within the Airport Approach Overlay Zone (AEOZ) for Lindbergh Field operations. Pursuant to §1320202, structures less than 30 feet high are exempt from further requirements of the AAOZ.

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 November 7, 2005 (Attachment 13).

Undergrounding Waiver Request - There are existing overhead facilities adjacent to the project site. San Diego Municipal Code Section 144.0240 allows the subdivider to apply for a waiver of the requirement to underground the existing overhead utilities within the boundary of the parcel or subdivision. Staff has determined the undergrounding waiver request qualifies under the guidelines of Council Policy 600-25, Underground Conversion of Utility Lines at the Developers Expense, in that it would not represent a logical extension to an underground facility, would represent an isolated undergrounding, and involves a short span (less than a full block in length). The project is located within Block 2Q for which an undergrounding date has been set by Council for allocation in 2010 (Attachment 12).

This project incorporates the new permit condition to underground all onsite utilities serving the subdivision.

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 November 1, 2005, the San Diego Housing Commission completed a tenant income survey of the existing residents which found no low- or moderate-income households. Therefore, no further obligation exists under the Coastal Overlay Zone Affordable Housing Replacement Regulations (Attachment 14).

This project is subject to the Inclusionary Housing requirements. The Inclusionary Housing in-lieu fee would be \$8,025 based on 6,420 square feet of living space at a charge of \$1.25/square foot.

Community Planning Group Recommendation – The Ocean Beach Planning Board considered the project at their meeting on January 4, 2006 where a motion to recommend denial carried by a vote of 8-0-0 over concerns of parking, status of the building's mechanical systems, and the reduction of affordable rental units in Ocean Beach. Each of these issues are further discussed below.

*Parking* – The Ocean Beach Planning Board expressed concerns that the project is not providing adequate parking. The eight unit project (seven, two-bedroom units, and one, one-bedroom unit) provides eight parking spaces. Current parking requirements for the project, if constructed today, would be 18 spaces. However, the project has established previously conforming rights based on existing Municipal Code requirements.

*Building Systems* – The Ocean Beach Planning Board expressed concern over the status of the existing mechanical systems. While not a current requirement of the Municipal Code, the applicant recognizes the potential direction of the Planning Commission to request a Building Conditions report as an added permit condition. If agreed to, this condition would require the applicant to provide an independent evaluation of the existing conditions of the building to the satisfaction of the City Manager. The report would be prepared in accordance with the State of California Business and Professions Code and would include evaluation of the structural integrity, mechanical, electrical, and plumbing systems of the building. The applicant would be asked to provide proof of compliance with any recommendations to repair or replace those systems.

*Reduction of Affordable Units* – The Ocean Beach Planning Board expressed concern about the reduction of affordable rental units in their community. The Ocean Beach Precise Plan identifies that “High housing prices are having a severe impact upon many people living in Ocean Beach.” The Plan recommends to “Promote the continuation of an economically balanced housing market, providing for all age groups and family types.” This project would result in the loss of eight rental units, but with the gain of eight market-rate for-sale units. The applicant proposes to pay the in-lieu fee rather than setting aside units designated as Affordable Housing.

**Conclusion:**

Staff has reviewed the request for a Tentative Map 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 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.

**ALTERNATIVES**

1. Approve Coastal Development Permit 282869 and Tentative Map No. 216443 with modifications.
2. Deny Coastal Development Permit 282869 and Tentative Map No. 216443 if the findings required to approve the project cannot be affirmed.

**Respectfully submitted,**

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**Assistant Deputy Director,**  
**Customer Support and Information Division**  
**Development Services Department**

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**Cory H. Wilkinson**  
**Development Project Manager,**  
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STROHMINGER/CHW

Attachments:

1. Project Location Map
2. Aerial Photo
3. Community Plan Land Use Map
4. Project Data Sheet
5. Tentative Map
6. Draft Map Conditions and Subdivision Resolution
7. Draft CDP Permit
8. Draft CDP Findings
9. Community Planning Group Recommendation
10. Ownership Disclosure Statement
11. Project Chronology
12. Undergrounding Schedule
13. Copy of Tenant Notices
14. Housing Commission Requirements
15. CEQA Exemption