

DATE ISSUED: March 24, 2006

REPORT NO. PC-06-073

ATTENTION: **Planning Commission, Agenda of March 30, 2006**

SUBJECT: 4219 35th STREET TENTATIVE MAP; PROJECT NO. 74598
PROCESS FOUR

OWNERS: Wells Organization VII (Attachment 8)

APPLICANT: San Diego Land Surveying and Engineering, Inc.

SUMMARY

Issue: Should the Planning Commission approve a Tentative Map for the conversion of seven existing residential units to condominiums at 4219 35th Street, within the City Heights neighborhood of the Mid-City Communities Plan Area

Staff Recommendation:

1. **Approve** Tentative Map No. 229392and
2. **Approve** waiver to the requirement to underground existing overhead utilities.

Community Planning Group Recommendation: At its September 7, 2005, meeting, the City Heights Area Planning Committee voted 10-0-0 to recommend approval of the proposed project, but recommended denial of the request to waive the requirement to underground existing overhead utilities. (Attachment 7).

Environmental Review: This project is exempt from environmental review pursuant to Article 19, Section 15301(k), Existing Facilities, of the California Environmental Quality Act (CEQA). 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 August 5, 2005.

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

Code Enforcement Impact: None with this action.

Housing Impact Statement: With the proposed conversion of seven existing apartments 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 June 28, 2005, and is therefore subject to the new regulations regarding Inclusionary housing and tenant relocation assistance.

BACKGROUND

The 0.143-acre site is located at 4219 35th Street in the RM-1-3 Zone Central Urbanized Planned District and the Transit Overlay Zone, within the City Heights neighborhood of the Mid-City Communities Plan Area (Attachment 3). The site is presently developed with one 2 story structure containing one 3-bedroom unit, three 2-bedroom units and three 1-bedroom units. Eleven off-street parking spaces are provided on the site: two accessed from 35th Street at the front and nine accessed from the alley at the rear. The site is bounded on all sides by multi-family residential uses.

The existing improvements were constructed in 1990. At the time the site was zoned MR-1000B and would have allowed for six dwelling units. A Density Bonus Agreement to allow a seventh unit was executed between the original developer and the Housing Commission on July 7, 1989. The development complied with the zoning and development regulations in effect at the time of construction and no Building or Zoning code violations have been recorded against the property.

The project does not conform with the current density requirement of one unit per 2,000 square feet in the RM-1-3 Zone. Under current criteria, 11 off-street parking spaces would be required. The project has previously-conforming rights to be maintained as outlined in Chapter 12, Article 7, Division 1 of the Land Development Code.

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 on July 7, 1989, which allowed the development of seven units with the provision that one (1) two-bedroom unit remain rent- and occupancy-restricted to low income households for a term of 20 years pursuant to an Agreement Authorizing Affordable Housing Density Bonus and Imposing Covenants And Restrictions on Real Property. The Density Bonus Agreement will expire on November 1, 2010.

The Housing Commission has no objection to the approval of this Tentative Map to authorize the property owner to process for final condominium approval from the State Department of Real

Estate (DRE). However, as a condition of the Tentative Map, the Housing Commission is requesting that certain language be inserted into the 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 one density bonus unit. The one restricted density bonus unit, unit #6, must remain as an affordable rental unit during the remaining term of the "Agreement." Upon the termination of the "Agreement" on November 1, 2010, the designated bonus unit is released from the terms of restrictions and may be individually sold as a condominium by the Subdivider. Condition No. 10 of the draft Tentative Map resolution addresses this issue.

DISCUSSION

Project Description:

The project proposes a Tentative Map for the subdivision of a 0.143-acre site to convert seven existing dwelling units into condominiums on two existing lots (Attachment 5). The applicant is also requesting that the requirement for the undergrounding of 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 of Existing Utilities

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*, the conversion involves a short span of overhead facility (less than 600 feet in length)

The applicant will be required to underground all existing service to the site per Condition No. 17 of the draft Tentative Map resolution (Attachment 6). The applicant would also 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 neighborhood currently contains power poles and overhead utilities within the alley at the rear of the property. The utility lines to these poles extend to other properties located north and south within the alley. The closest power pole is located at the southeastern corner of the

property. As indicated above, all utilities serving this property will be required to be undergrounded. The waiver is being requested for the requirement to underground adjacent utilities serving the surrounding properties. The City's Undergrounding Master Plan for Fiscal Year 2006 designates the site within Block 30, and the date for undergrounding has been established for the year 2025 (Attachment 10).

Community Planning Group and Neighborhood Recommendations:

At its September 7, 2005, meeting, the City Heights Area Planning Committee voted 10-0-0 to recommend approval of the proposed project, but recommended denial of the request to waive the requirement to underground existing overhead utilities (Attachment 7). Based on the preceding information regarding the undergrounding of the existing utilities, staff continues to support the undergrounding waiver request.

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 Notices of Intent to Convert to Condominiums were provided to the tenants April 18, 2005 (Attachment 11).

All condominium conversion projects Deemed Complete on or after February 7, 2004, must conform with the new regulations regarding Inclusionary housing and tenant relocation benefits adopted by the City Council on March 15, 2004. This proposed project was Deemed Complete on June 28, 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 the Inclusionary Affordable Housing In-Lieu Fee of \$4,545.63 (5,195 square feet x \$0.875) pursuant to the Affordable Housing Requirements of 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 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. Staff believes the required findings can be supported and recommends the Planning Commission approve the project as proposed.

ALTERNATIVES

1. **Approve Tentative Map No. 229392with modifications.**
2. **Deny Tentative Map No. 229392if the findings required to approve th e project**

cannot be affirmed.

Respectfully submitted,

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Acting Deputy Director, Customer Support
and Information Division
Development Services Department

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STROHMINGER/MAS

Attachments:

1. Aerial Photograph
2. Community Plan Land Use Map
3. Project Location Map
4. Project Data Sheet
5. Tentative Map
6. Draft Map Conditions and Subdivision Resolution
7. Community Planning Group Recommendation
8. Ownership Disclosure Statement
9. Project Chronology
10. City's Undergrounding Master Plan – Map 30
11. Copy of 60-Day Notice of Intent to Convert
12. Photos of Existing Front and Rear Elevations