Executive Summary

Condominium Conversion Subdivision

HEARING DATE: JUNE 5, 2014 CONSENT CALENDAR

1650 Mission St. Suite 400 San Francisco. CA 94103-2479

Reception:

415.558.6378

Fax:

Planning

415.558.6409

Information: 415.558.6377

Date: May 22, 2014 Case No.: 2014.0514Q

Project Address: 3520-3524 17TH AVENUE

Zoning: RM-1 (Mixed, Apartments and Houses, Low Density) District

40-X Height and Bulk District

Block/Lot: 3567/014

Project Sponsor: R. Boyd McSparran – Goldstein, Gellman, Melbostad, Harris & McSparran

1388 Sutter Street

San Francisco, CA 94110

Marcelle Boudreaux - (415) 575-9140 Staff Contact:

marcelle.boudreaux@sfgov.org

Recommendation: Approval

PROJECT DESCRIPTION

The project proposes to convert a three-story-over-garage, three-unit building at the front of the property and a two-story, two-unit building at the rear into five residential condominiums. No alterations to the building are proposed other than those that result from the Department of Building Inspection's Physical Inspection Report. The Subdivision Code requires that the Planning Commission hold a public hearing to review condominium conversion subdivisions containing five to six residential units for consistency with the General Plan.

Residential Unit Description

Unit No.	Square-Feet	No. of Bedrooms
3520	1200	2
3522	1200	2
3524	1100	1
3524A	500	1
3524B	500	1

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Rental History:

- Three of the five dwelling units are owner-occupied.
- There are no households with persons that are aged 62 or older or permanently disabled.

Five-Year Rental History

Unit #	Duration	Occupant	Rent	Reason for	Purchaser
				Leaving	
3520	6/10/10-present	Yael Kimchie & Johnathan Shulman	\$3,100	n/a	No
	6/8/09-6/1/10	Will & Trudy Pendergraft	\$3,100	Job relocation	n/a
	9/30/06-6/1/09	Yair Avgar & Daphna Shohamy	Own	Moved to NYC	n/a
3522	9/25/06	Nanette Duffy & John Poloni	Own	n/a	Yes
3524	10/10/06-present	Charles Hughes & Graham Dobson	Own	n/a	Yes
	9/1/89-9/24/06	Nanette Duffy & John Poloni	Own	Sold to Hughes	n/a
				& Dobson;	
				moved to 3522	
3524A	1/1/09-present	Marcia Hoffman	\$1,600	n/a	No
3524A	2/15/06-12/15/08	Linda Wilbrecht	\$1,600	Got married	n/a
3524B	2/3/90-present	William Henn	Own	n/a	Yes

SITE DESCRIPTION AND PRESENT USE

The project site is located at 3520-3524 17th Street on the north side of 17th Street between Dolores and Guerrero Streets on Assessor's Block 1256, Lot 058. The project site is located within a RM-1 (Mixed, Apartments and Houses, Low Density) Zoning District, 40-X Height and Bulk District, and the parcel is approximately 2,875 square feet in size (25 feet wide by 115 feet deep). The three-story-over-garage building at the front, occupied by three dwelling units, and the two-story, two dwelling building in the rear were both constructed circa 1908.

SURROUNDING PROPERTIES AND NEIGHBORHOOD

The project site is located in the Mission neighborhood, within a ¼-mile of Children's Day School, Mission High School, Mission Dolores Elementary School, Everett Middle School, and Dolores Park. The surrounding development consists mainly of multi-unit buildings and the scale of development in the area consists of three- to four-story residential structures.

The property immediately adjacent to the east is the surface parking lot for the Boys & Girls Club, addressed at 450 Guerrero Street, and to its east is a three-story residential with three dwelling units over ground story commercial. The property immediately adjacent of the subject property to the west at 3526-3530 17th Street consists of a two-story-over-garage building at the front of the lot with one dwelling unit and a two-story building at the rear with two dwelling units.

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ENVIRONMENTAL REVIEW STATUS

The project is exempt from the California Environmental Quality Act ("CEQA") as a Class 1 categorical exemption.

HEARING NOTIFICATION REQUIREMENTS

ТҮРЕ	REQUIRED PERIOD	REQUIRED NOTICE DATE	ACTUAL NOTICE DATE	ACTUAL PERIOD
Posted Notice	10 days	May 26, 2014	<mark>DATE</mark>	10 days
Mailed Notice	10 days	May 26, 2014	<mark>DATE</mark>	10 days

PUBLIC COMMENT

To date, the Department has not received any letters or phone calls in support of or in opposition to the project.

ISSUES AND OTHER CONSIDERATIONS

- The Subdivision Code requires that the Planning Commission hold a public hearing to review condominium conversion subdivisions containing five to six units, where at least one unit is residential, for consistency with the General Plan. Similar projects with four or fewer units are approved administratively. This provision requiring Planning Commission review for larger projects may be a residual of former rent control regulations.
- In the RM-1 Zoning District, three dwelling units per lot or one dwelling unit per 800 square feet of lot area can be considered legal and conforming to the Planning Code. The remaining dwelling units must be considered legal, nonconforming dwelling units and will be subject to the limitations under Planning Code Section 181. The proposed project contains three legal, conforming dwelling units and two legal, nonconforming dwelling units.

REQUIRED COMMISSION ACTION

The proposed project requires Planning Commission approval under Section 3.527 of the Charter and Sections 1332 and 1381 of the Subdivision Code to allow the condominium conversion subdivision of five to six residential unit buildings. Findings must be made that the proposal is consistent with the General Plan and the Subdivision Code.

BASIS FOR RECOMMENDATION

- The proposed project is consistent with the Housing Element of the General Plan in that the existing supply of housing will be maintained, the condominium subdivision application is subject to the restrictions of the Subdivision Code, and the subdivision will allow for home ownership opportunities for San Francisco residents.
- The eight priority planning policies set forth by City Planning Code Section 101.1 are met.

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The project meets the requirements for condominium conversions under the California State Map Act and the San Francisco Subdivision Code.

RECOMMENDATION: Approval

Attachments:

Block Book Map Sanborn Map Zoning Map Aerial Photograph Site Photograph

Exhibit Checklist

Executive Summary		Project sponsor submittal	
Draft Motion		Drawings: Existing Conditions	
Environmental Determination		Check for legibility	
Zoning District Map		Drawings: Proposed Project	
Height & Bulk Map		Check for legibility	
Block Book Map		Health Dept. review of RF levels	
Sanborn Map		RF Report	
Aerial Photos		Community Meeting Notice	
Context Photo		Public Correspondence	
Site Photo			
Exhibits above marked with an "X" are inc	lude	d in this packet <u>MWB</u>	
		Planner's Init	ials

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SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)	
☐ Affordable Housing (Sec. 415)	☐ First Source Hiring (Admin. Code)
☐ Jobs Housing Linkage Program (Sec. 413)	☐ Child Care Requirement (Sec. 414)
□ Downtown Park Fee (Sec. 412)	□ Other

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Planning Commission Draft Motion

HEARING DATE: JUNE 5, 2014

Date: May 22, 2014
Case No.: **2014.0514Q**

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Recommendation: Approval

ADOPTING FINDINGS RELATING TO THE REVIEW FOR CONSISTENCY WITH THE GENERAL PLAN TO ALLOW A CONDOMINIUM CONVERSION SUBDIVISION OF A THREE-STORY-OVER-GARAGE, THREE-UNIT BUILDING AT THE FRONT OF THE PROPERTY AND A TWO-STORY, TWO-UNIT BUILDING AT THE REAR INTO FIVE RESIDENTIAL CONDOMINIUMS WITHIN A RM-1 (MIXED, APARTMENTS AND HOUSES, LOW DENSITY) ZONING DISTRICT AND A 40-X HEIGHT AND BULK DISTRICT.

PREAMBLE

On March 27, 2014, R. Boyd McSparran (hereinafter "Project Sponsor") filed an application with the Department of Public Works, Bureau of Street Use and Mapping for Planning Department review to allow the Condominium Conversion Subdivision of a three-story-over-garage, three-unit building at the front of the property and a two-story, two-unit building at the rear into five residential condominiums within a RM-1 (Mixed, Apartments and Houses, Low Density) Zoning District and a 40-X Height and Bulk District. The subject buildings are considered a legal use as the Report of Residential Building Record indicates that the legal authorized occupancy and use is a three-unit dwelling in the front and a two-unit dwelling in the rear.

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On June 5, 2014, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Condominium Conversion Subdivision Application No. 2014.0514Q.

Section 1396, Article 9 of the Subdivision Code of the City and County of San Francisco sets forth the following rules and regulations for condominium conversions:

- A. Units may be converted to condominiums so long as they meet the requirements of the Expedited Conversion Program per the Subdivision Code. An exception is provided for two-unit buildings where both units are owner-occupied for one year.
- B. The following categories of buildings may be converted to condominiums:
 - i. Buildings consisting of four units or less in which at least one of the units has been occupied continuously by one of the owners of record for five years prior to the date of application for conversion.
 - ii. Buildings consisting of six units or less in which at least three of the units have been occupied continuously by three of the owners of record for five years prior to the date of application for conversion.

The Subdivision Code requires that the Planning Commission hold a public hearing to review condominium conversion subdivisions containing five to six units for consistency with the General Plan where at least one unit is residential. The Code calls for a sales program which promotes affirmative action in housing, a non-transferable tenant right of first-refusal to purchase the unit occupied by the tenant and various relocation requirements, including the right to a \$1,000 relocation payment.

The Subdivision Code further provides for a lifetime lease for all tenants aged 62 years or older and/or are permanently disabled, and requires that no less than 40 percent of the tenants either have signed Intent to Purchase forms or be in a position of accepting such a lifetime lease. The Code prohibits any increase in rents while the conversion application is pending before the City.

The Project is exempt from the California Environmental Quality Act ("CEQA") as a Class 1 categorical exemption.

The Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of the applicant, Department staff and other interested parties.

MOVED, that the Commission hereby approves the Condominium Conversion Subdivision requested in Application No. 2014.0514Q based on the following findings:

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

- 1. The above recitals are accurate and constitute findings of this Commission.
- 2. The applicant requests Planning Department review of a Condominium Conversion Subdivision Application to allow for the conversion of the multi-unit building.
- 3. As required by Section 1396 of the San Francisco Subdivision Code, at least three of the units have been owner occupied continuously by one or more of the owners of record for five years prior to the date of application for conversion.
- 4. Tenants in the subject building were notified of their right-of-first refusal to purchase the unit they occupy, as required by the Subdivision Code, and of other rights to which they are entitled under provisions of the same Code.
- 5. A search of the Rent Board database did not show any tenant petitions or eviction notices filed with the Rent Board in the last 5 years.
- 6. On balance, the Project is consistent with the Objectives and Policies of the General Plan, as follows:

HOUSING ELEMENT

Objectives and Policies

OBJECTIVE 2:

RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS, WITHOUT JEOPARDIZING AFFORDABILITY.

Policy 2.4:

Promote improvements and continued maintenance to existing units to ensure long term habitation and safety.

Property owners are required to correct outstanding code violations identified in a Physical Inspection Report issued by the Department of Building Inspection (DBI). All work must be completed and a DBI Certificate of Final Completion must be issued prior to DPW approval.

OBJECTIVE 3:

PROTECT THE AFFORDABILITY OF THE EXISTING HOUSING STOCK, ESPECIALLY RENTAL UNITS.

3

Policy 3.3:

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Maintain balance in affordability of existing housing stock by supporting affordable moderate ownership opportunities.

Conversions of rental stock to condominiums help achieve affordable homeownership, providing a category of housing stock for moderate income housing needs. Through the Expedited Conversion Program, properties are eligible to convert from rental units to ownership status so long as owner-occupancy requirements are met.

- 7. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project does comply with said policies in that:
 - A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

The proposal would have no adverse effect upon existing neighborhood-serving retail uses as it is a change in form of residential tenure.

B. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

The proposal is a change in form of residential tenure and would not alter the existing housing and neighborhood character of the vicinity.

C. That the City's supply of affordable housing be preserved and enhanced,

No housing would be removed for this project.

D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

The proposal is a change in form of residential tenure and would not affect public transit or neighborhood parking.

E. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

The proposal is a change in form of residential tenure and would not involve the industrial or service sectors of the City.

F. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

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The proposal is subject to inspection by the Department of Building Inspection and will be required to make any code required repairs, including those related to life safety issues, prior to the recordation of the final condominium subdivision map.

G. That landmarks and historic buildings be preserved.

The proposal is a change in form of residential tenure and would not affect landmarks or historic buildings.

H. That our parks and open space and their access to sunlight and vistas be protected from development.

The proposal is a change in form of residential tenure and would not affect public parks or open space.

- 8. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.
- 9. The Commission hereby finds that approval of the Condominium Conversion Subdivision would promote the health, safety and welfare of the City.

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DECISION

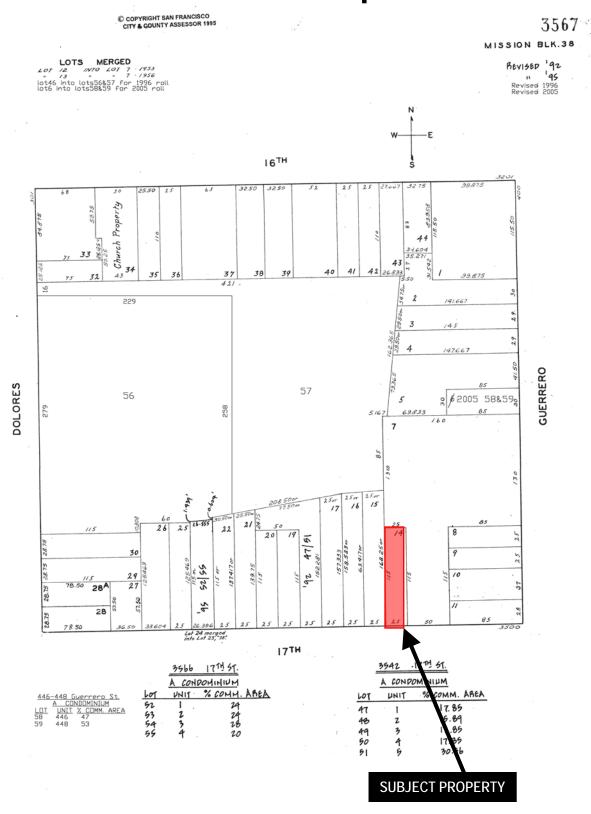
That based upon the Record, the submissions by the Applicant, Department staff and other interested parties, the oral testimony presented to this Commission at the public hearings and all other written materials submitted by all parties, the Commission hereby **APPROVES Condominium Conversion Subdivision Application No. 2014.0514Q**.

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on June 5, 2014.

Jonas Ionin
Commission Secretary
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ABSENT:
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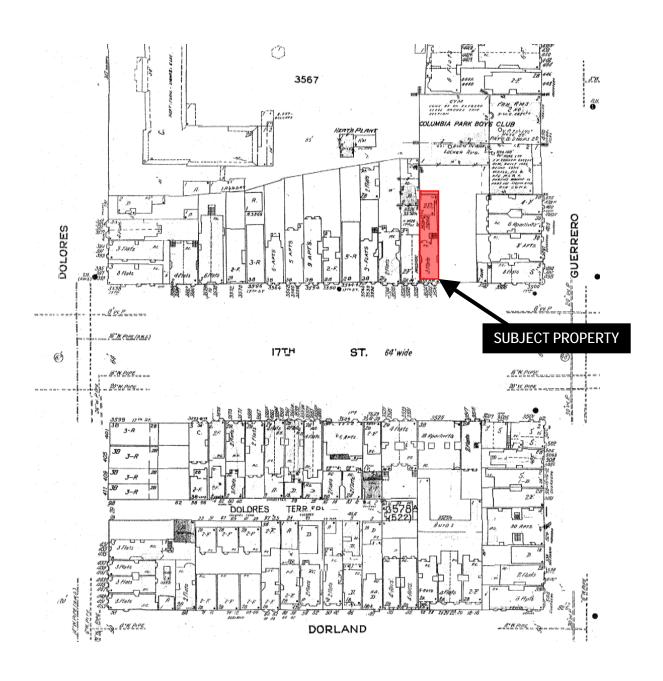
ADOPTED: June 5, 2014

Parcel Map





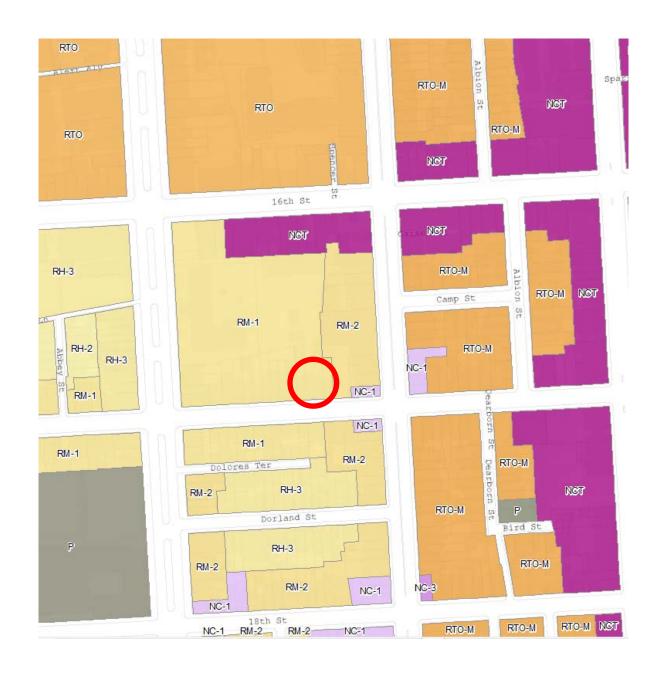
Sanborn Map*



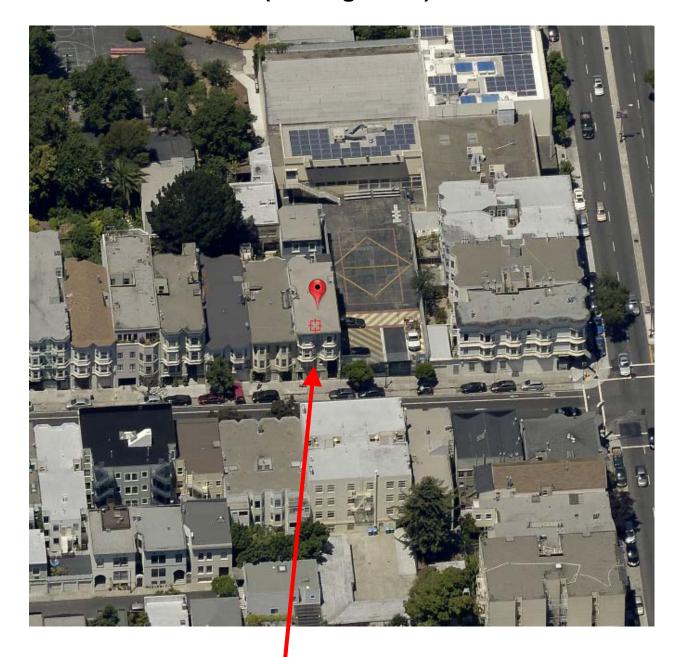
^{*}The Sanborn Maps in San Francisco have not been updated since 1998, and this map may not accurately reflect existing conditions.



Zoning Map



Aerial Photo (looking north)



SUBJECT PROPERTY

Site Photo

