



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Condominium Conversion

HEARING DATE: MARCH 25, 2010
CONSENT CALENDAR

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Hearing Date: March 25, 2010
Case No.: **2009.0743Q**
Project Address: **1038 Pine Street**
Zoning: RM-4 (Residential, Mixed Districts, High Density)
Nob Hill Special Use District
65-A Height and Bulk District
Block/Lot: 0253/009
Project Sponsor: David Gellman
Goldstein, Gellman, Melbostad, Gibson & Harris, LLP
1388 Sutter Street, Suite 1000
San Francisco, CA 94109
Staff Contact: Aaron Hollister – (415) 575-9078
aaron.hollister@sfgov.org
Recommendation: **Approval**

PROJECT DESCRIPTION

The project proposes to convert a five-unit apartment building into five residential condominiums. No alterations to the building are proposed other than those that result from the Building Department'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 units for consistency with the General Plan.

Unit Description

Unit No.	Square-Feet	No. of Bedrooms
1038A	700	2
1038B	700	1
1040A	700	1
1040B	700	1
1042	1,280	3

Rental History:

- Three of the units are owner-occupied and two units are tenant-occupied. The occupants of the tenant-occupied units do not intend to purchase their units (see table below).
- 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 Leaving	Purchaser
1038A	06/09-present	Christopher Oakes	\$2500	N/A	No
1038A	09/05-05/09	Morten Juel	O/O	Moved in with girlfriend	---
1038B	09/05-present	Emily Dunn	O/O	N/A	Yes
1040A	02/09-present	Nancy Monaghan	\$2500	N/A	No
1040A	11/06-02/09	Rawson Smith	O/O	Moved in with husband	---
1040A	09/05-11/06	Mary O'Neil	O/O	Sold Interest	---
1040B	09/05-present	Donna Muse	O/O	N/A	Yes
1042	09/05-present	Christopher Freeman	O/O	N/A	Yes

SITE DESCRIPTION AND PRESENT USE

The project is located on the north side of Pine Street, between Jones and Taylor Streets, Assessor's Block 0253, Lot 009. This site is within an RM-4 (Residential, Mixed Districts, High Density) District, the Nob Hill Special Use District and a 65-A Height and Bulk District. The Project Site is occupied by a five-unit, four-story apartment building, which was constructed in 1909, and also abuts to the rear of the Masonic Auditorium.

SURROUNDING PROPERTIES & NEIGHBORHOOD

The project is located in the Nob Hill Neighborhood of San Francisco, which features many similar residential structures as the subject structure as well as numerous high-rise residential structures. The Nob Hill neighborhood primarily features high density residential buildings, but also contains institutional and hotel uses such as the Mark Hopkins and Farimont Hotels, Grace Cathedral, the Pacific-Union Club and the Masonic Auditorium. Most of the institutional and hotel uses, as well as most of the high-rise residential structures, are roughly centered around Huntington Park near the crest of Nob Hill. Ground-story, neighborhood-serving markets and restaurants can also be found scattered throughout the neighborhood.

ENVIRONMENTAL REVIEW STATUS

Condominium conversions of existing buildings are categorically exempt from environmental review under Class 1(k), Section 15101(k) under the California Environmental Quality Act.

HEARING NOTIFICATION REQUIREMENTS

TYPE	REQUIRED PERIOD	REQUIRED NOTICE DATE	ACTUAL NOTICE DATE	ACTUAL PERIOD
Posted Notice	10 days	March 15, 2010	March 15, 2010	10 days
Mailed Notice	10 days	March 15, 2010	March 15, 2010	10 days

PUBLIC COMMENT

- The Department has not received any correspondence regarding the proposal.

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 Commission review for larger projects may be a residual of former rent control regulations.
- The unenclosed, surface parking located in the rear of the building was found to be legally permitted via a building permit as late as 1960.

REQUIRED COMMISSION ACTION

The proposal 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 Residence Element of the General Plan in that the existing supply of housing will be maintained, the condo subdivision application is subject to the restrictions of the Subdivision Code, and the subdivision will allow for home ownership opportunities for San Francisco residents (Objective 2, Policy 3).
- The eight priority planning policies set forth by City Planning Code Section 101.1 are being met.
- The project meets the requirements for condominium conversions under the California State Map Act and the San Francisco Subdivision Code.

RECOMMENDATION: Approval
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Attachments:

Draft Approval Motion

Block Book Map
Sanborn Map
Aerial Photographs
Photographs

Exhibit Checklist

- | | |
|---|---|
| <input checked="" type="checkbox"/> Executive Summary | <input type="checkbox"/> Project sponsor submittal |
| <input checked="" type="checkbox"/> Draft Motion | Drawings: <u>Existing Conditions</u> |
| <input type="checkbox"/> Environmental Determination | <input type="checkbox"/> Check for legibility |
| <input checked="" type="checkbox"/> Zoning District Map | Drawings: <u>Proposed Project</u> |
| <input type="checkbox"/> Height & Bulk Map | <input type="checkbox"/> Check for legibility |
| <input checked="" type="checkbox"/> Parcel Map | <input type="checkbox"/> Health Dept. review of RF levels |
| <input checked="" type="checkbox"/> Sanborn Map | <input type="checkbox"/> RF Report |
| <input checked="" type="checkbox"/> Aerial Photo | <input type="checkbox"/> Community Meeting Notice |
| <input checked="" type="checkbox"/> Context Photos | <input type="checkbox"/> Public Correspondence |
| <input checked="" type="checkbox"/> Site Photos | |

Exhibits above marked with an "X" are included in this packet

AJH
Planner's Initials

AJH: 1038 Pine Street Executive Summary.doc



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- Inclusionary Housing (Sec. 315)
- Jobs Housing Linkage Program (Sec. 313)
- Downtown Park Fee (Sec. 139)
- First Source Hiring (Admin. Code 83)
- Child Care Requirement (Sec. 314)
- Other

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Planning Commission Motion No. XXXXX

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ADOPTING FINDINGS RELATING TO THE REVIEW FOR CONSISTENCY WITH THE GENERAL PLAN OF A FIVE-UNIT CONDOMINIUM CONVERSION LOCATED AT 1038 PINE STREET WITHIN AN RM-4 (RESIDENTIAL, MIXED DISTRICTS, HIGH DENSITY) DISTRICT, THE NOB HILL SPECIAL USE DISTRICT AND A 65-A HEIGHT AND BULK DISTRICT. THE PROPOSAL IS TO ALLOW THE CONDOMINIUM CONVERSION SUBDIVISION OF A FIVE-UNIT RESIDENTIAL BUILDING.

PREAMBLE

- On July 20, 2009, The Department of Public Works, Bureau of Street Use and Mapping (hereinafter Applicant) made application for Planning Department review to allow the Condominium Conversion Subdivision of a five-unit residential building (hereinafter Project) located at 1038 Pine Street, between Jones and Taylor Streets, Assessor’s Block 0253, Lot 009 in an RM-4 (Residential, Mixed Districts, High Density) District, the Nob Hill Special Use District and a 65-A Height and Bulk District. The subject building is considered a legal use as a Report of Residential Building Record indicates the legal authorized occupancy and use of the building as a five-family residential building.

2. On March 25, 2010, the Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Condominium Conversion Subdivision Application No. 2009.0743Q, at which time the Commission reviewed and discussed the findings prepared for their review by the staff of the Department.
3. 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. A maximum of two-hundred (200) units may be converted to condominium units annually. An exception is provided for two-unit buildings where both units are owner-occupied for one year or one unit is owner occupied for three years.
 - 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 three years prior to the date of registration for the lottery as selected by the Director of Public Works.
 - ii. Buildings consisting of six units or less in which at least 50 percent of the units have been occupied continuously by one of the owners of record for three years prior to the date of registration for the lottery as selected by the Director of Public Works.
4. 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.
5. The 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.
6. The proposed Condominium Conversion Subdivision application was determined by the San Francisco Planning Department (hereinafter Department) to be Categorically Exempt from environmental review under Class 1(k), Section 15101(k) under the California Environmental Quality Act Guidelines.
7. The Commission has reviewed and considered reports, studies, plans and other documents pertaining to this Project.
8. The Commission has heard and considered the testimony presented at the public hearing and has further considered the written materials and oral testimony presented on behalf of the applicant, the Department staff, and other interested parties.
9. **MOVED**, that the Commission hereby approves the Condominium Conversion Subdivision as requested in Application No. 2009.0743Q.

FINDINGS

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

1. The above recitals are accurate and also constitute findings of this Commission.
2. The applicant requests Planning Department review of a Condominium Conversion Subdivision Application to allow for the conversion of a five-unit residential building.
3. As required by Section 1396 of the San Francisco Subdivision Code, 50 percent or more of the units have been owner occupied continuously by one or more of the owners of record for three years prior to the date of registration for the lottery as selected by the Director of Public Works.
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:

2004 HOUSING ELEMENT

OBJECTIVE 2: DISCOURAGE THE DEMOLITION OF SOUND EXISTING HOUSING.

POLICY 3:

Restrict the conversion of rental housing to other forms of tenure or occupancy.

This application was selected through the condo subdivision lottery, which sets an annual limit on condo conversions. Conversion of the subject property would allow for home ownership opportunities for San Francisco residents.

OBJECTIVE 9: AVOID OR MITIGATE HARDSHIPS IMPOSED BY DISPLACEMENT

Three units are owner-occupied and two units are tenant-occupied. The occupants of the tenant-occupied units do not intend to purchase their units. The tenants were notified of the right-of-first refusal to purchase their units, as required by the Subdivision Code, and of other rights to which the tenant is entitled under provisions of the same Code.

7. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires a review for consistency with said policies prior to taking any action that requires a finding of consistency with the General Plan. Review of the relevant priority planning policies yielded the following determinations:

- a) That the proposed project will be in keeping with the existing neighborhood character
- b) That the proposed project will have no effect on landmarks or historic buildings, public transit, the number of affordable housing units in the city, preparedness to protect against injury and loss of life in an earthquake, commercial activity, business or employment, or public parks and open space.
- c) The subject property is currently at least 50 percent owner occupied. Conversion to condominium ownership will not affect the City's supply of affordable housing.
- d) The conversion will not affect commuter traffic or neighborhood parking in that existing residential use will neither change nor intensify.
- e) No displacement of industrial or service sectors will be caused by this conversion
- f) The applicant has applied for an inspection of the subject building by the Department of Building Inspection and will be required to make any Code-required repairs, including those relative to life safety issues, prior to recordation of the final condominium subdivision map.
- g) The conversion will not affect landmarks or historic buildings.
- h) Conversion to condominium ownership will not affect public parks or open space.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department 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. 2009.0743Q.**

EFFECTIVE DATE OF MOTION: The effective date of Motion No. XXXXX shall be the date of this Motion.

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on March 25, 2010.

Linda Avery
Commission Secretary

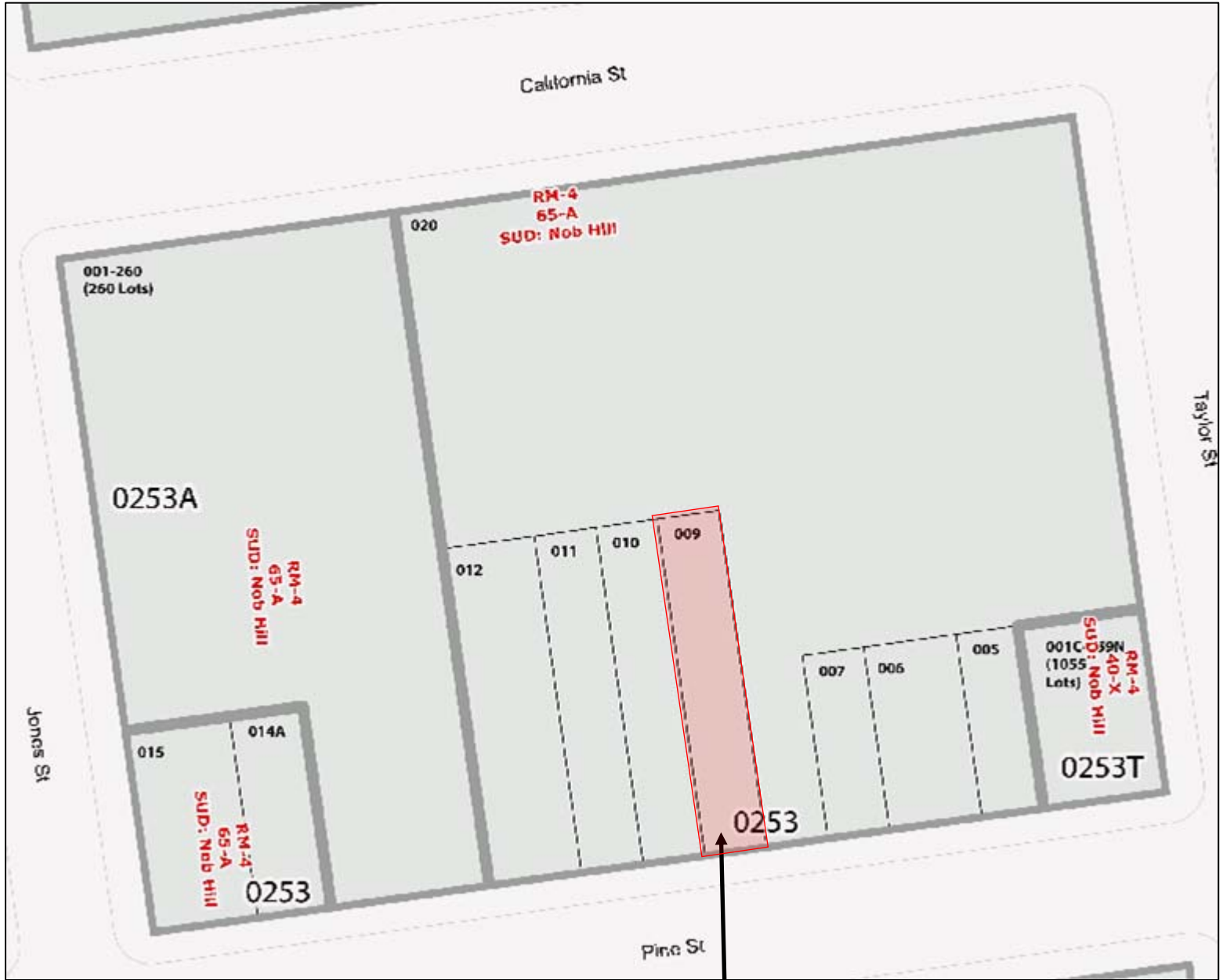
AYES:

NAYS:

ABSENT:

ADOPTED: March 25, 2010

Parcel Map

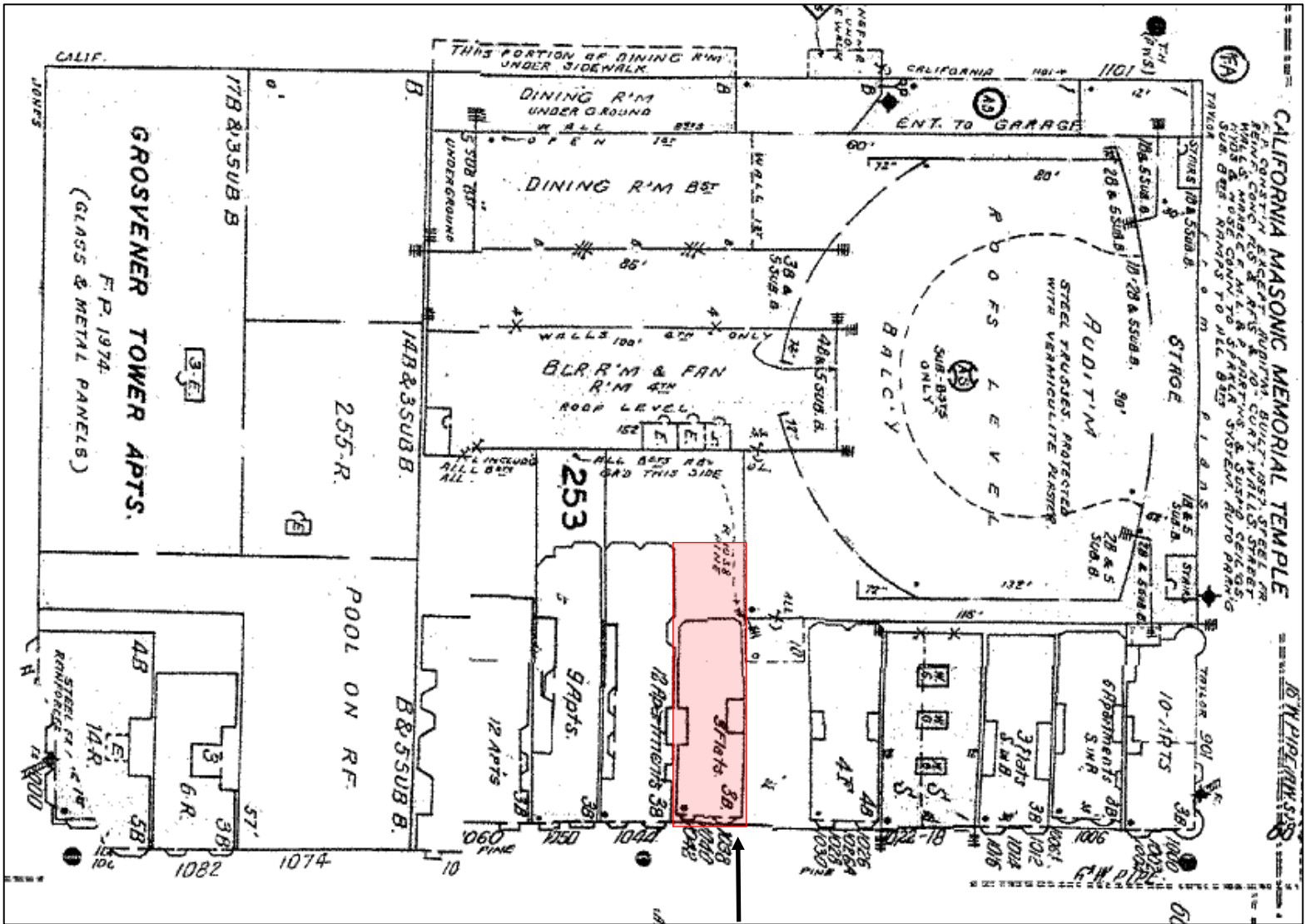


SUBJECT PROPERTY



Condo Conversion Subdivision
Case Number 2009.0743Q
1038 Pine Street

Sanborn Map*



SUBJECT PROPERTY

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



Condo Conversion Subdivision
 Case Number 2009.0743Q
 1038 Pine Street

Aerial Photo

North-Facing

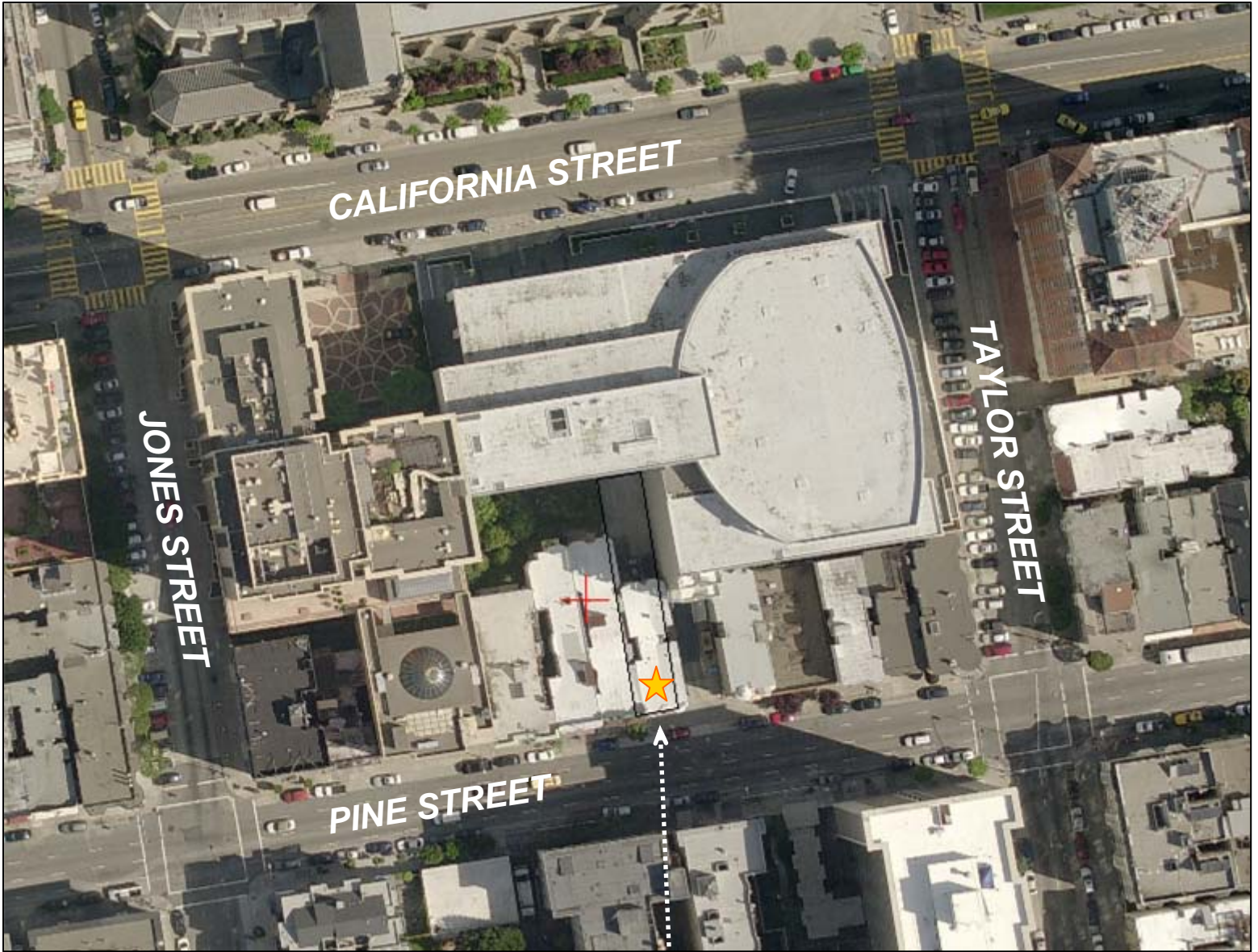


SUBJECT PROPERTY



Condo Conversion Subdivision
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Aerial Photo

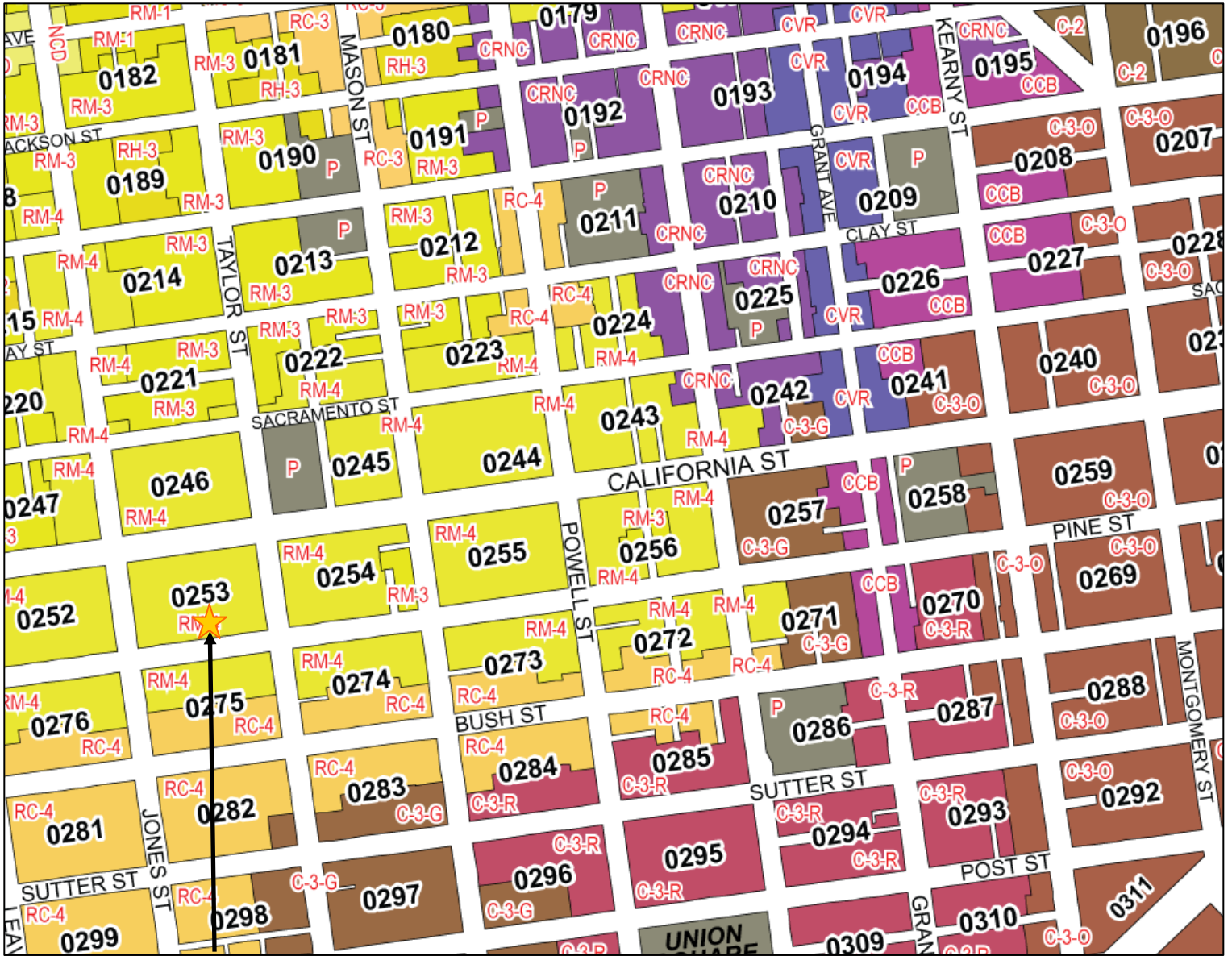


SUBJECT PROPERTY



Condo Conversion Subdivision
Case Number 2009.0743Q
1038 Pine Street

Zoning Map



SUBJECT PROPERTY

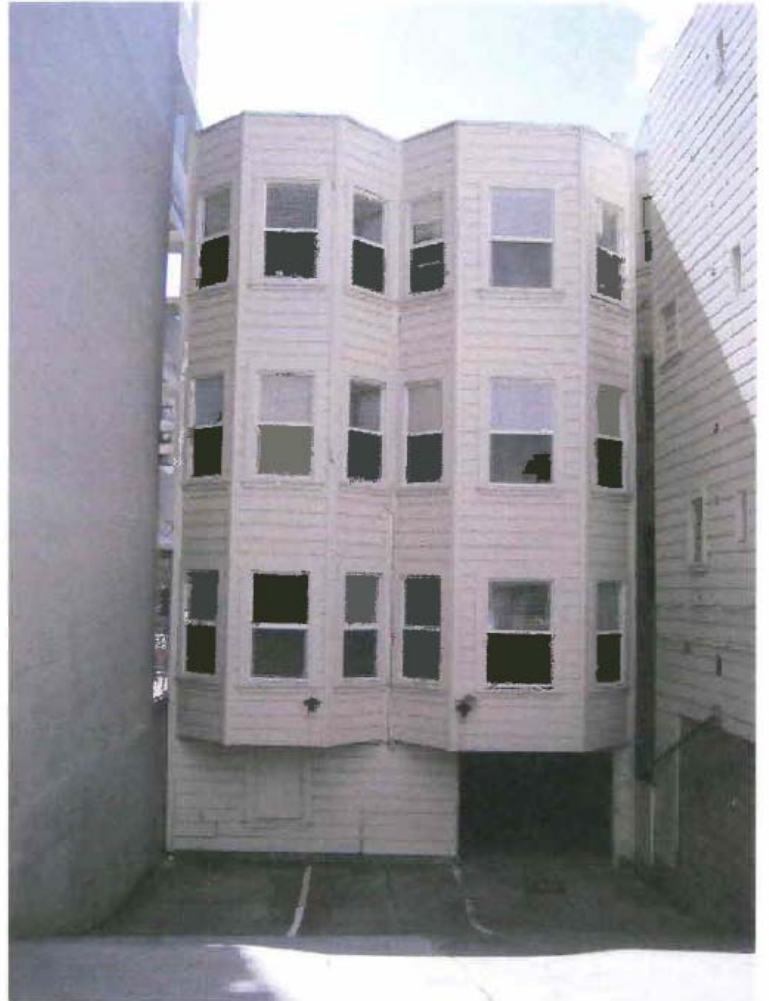


Condo Conversion Subdivision
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Site Photographs



BUILDING FRONT



BUILDING REAR

Condo Conversion Subdivision
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