### **Executive Summary**

### **Condominium Conversion Subdivision**

HEARING DATE: APRIL 7, 2016 CONSENT CALENDAR

 Date:
 March 31, 2016

 Case No.:
 2015-006156CND

 Project Address:
 3241-3249 25th Street

Zoning: RH-3 (Residential, House Three-Family) District

40-X Height and Bulk District

Block/Lot: 6525/034

Project Sponsor: David Gellman

Goldstein, Gellman, Melbostad, Harris & McSparran, LLP

1388 Sutter Street, Suite 1000 San Francisco, CA 94109

Staff Contact: Jonathan DiSalvo – (415) 575-9182

jonathan.disalvo@sfgov.org

Recommendation: Approval

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

Reception: 415.558.6378

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415.558.6409

Planning Information: 415.558.6377

#### PROJECT DESCRIPTION

The project proposes to convert a three-story building containing four residential units and one commercial unit into four residential condominiums and one commercial condominium. 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
3241	1100	2
3243	1200	3
3245	1250	2
3247	1250	2
3249	Commercial Unit	Commercial Unit

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#### **Rental History:**

- Three of the four 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	
3241	7/2014-present	Vacant			
	6/2014 – 7/2014	Hunter Jackson/Brian Winter	\$3600	Roommate	No
				split	
	7/2013 – 6/2014	Joshua Cella/Hunter Jackson/Brian	\$3600	Cella	No
		Winter		relocated	
	7/2012 - 7/2013	Daniel Goodwin/ Hunter Jackson/	\$3600	Goodwin	No
		Brian Winter		relocated	
	11/2011 – 7/2013	Erik Mayer (son of Claudia Lindquist	\$0	Moved to	No
				Redwood	
				City	
	9/2006 – 11/2011	Claudia Lindquist	Own	Death	No
3243	9/2013 – Present	Mayank Kumar	Own	n/a	Yes
	11/1990 – 9/2013	Jun Kwok Tom & Wai Kuen Tom	Own	Wanted	No
				different	
				place	
3245	9/2006 – Present	June Jennings	Own	n/a	Yes
3247	9/2006 – Present	David & Debra Lott	Own	n/a	Yes
3249		Commercial Space			No

#### SITE DESCRIPTION AND PRESENT USE

The project site is a through-lot and is located at 3241 – 3249 25<sup>th</sup> Street on the southeast corner of the intersection of 25<sup>th</sup> and Shotwell Streets as well as the southwest corner of the intersection of 25<sup>th</sup> and Horace Streets on Assessor's Block 6525, Lot 034. The project site is located within a RH-3 (Residential, House Three-Family) Zoning District, 40-X Height and Bulk District, and is approximately 4,995 square feet in size (approximately 43.4 feet wide by 115 feet deep). The three-story building is occupied by four dwelling units and one commercial unit and was constructed circa 1925.

#### SURROUNDING PROPERTIES AND NEIGHBORHOOD

The project site is located in the Mission Area Plan and in Eastern Neighborhoods. The surrounding development consists mainly of multi-unit buildings and the scale of development in the area consists of two to three story residential structures. The property immediately adjacent to the south at 1105 Shotwell Street is a three-story residential building.

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#### **ENVIRONMENTAL REVIEW STATUS**

The Project was determined not to be a project under CEQA Guidelines Sections 15060(c) and 15378 because there is no direct or indirect physical change in the environment.

#### HEARING NOTIFICATION REQUIREMENTS

TYPE	REQUIRED PERIOD	REQUIRED NOTICE DATE	ACTUAL NOTICE DATE	ACTUAL PERIOD
Posted Notice	10 days	March 28, 2016	March 28, 2016	10 days
Mailed Notice	10 days	March 28, 2016	March 28, 2016	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 RH-3 Zoning District, a maximum of three dwelling units can be considered legal and conforming to the Planning Code unless a conditional use permit is approved, permitting one dwelling unit per 1,000 square feet of lot area. 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 situated on a 4,995 square foot lot contains three legal, conforming dwelling units, and one legal, nonconforming dwelling unit.

#### REQUIRED COMMISSION ACTION

The proposed project requires Planning Commission approval under 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

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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 Planning Code Section 101.1 are met.
- 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 Executive Summary Hearing Date: April 7, 2016

### **Exhibit Checklist**

	Executive Summary		Project sponsor submittal
	Draft Motion		Drawings: Existing Conditions
	Environmental Determination		Check for legibility
	Zoning District Map		Drawings: <u>Proposed Project</u>
	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>JD</u>
			Planner's Initials

JD: I:\Current Planning\SE Team\Jonathan DiSalvo\CND & LLAs\2015-006156CND - 3241 - 49 25th St

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Hearing Date: April 7, 2016	3241-3249 25 <sup>th</sup> Street

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Sul	bj	ect	to	:	(S	е	lect	only	' if	applicable)
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- ☐ Affordable Housing (Sec. 415)
- ☐ Jobs Housing Linkage Program (Sec. 413)
- ☐ Downtown Park Fee (Sec. 412)
- ☐ First Source Hiring (Admin. Code)
- ☐ Child Care Requirement (Sec. 414)
- □ Other

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### **Planning Commission Draft Motion No. XXXXX**

HEARING DATE: APRIL 7, 2016

Planning Information: 415.558.6377

 Date:
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 Case No.:
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ADOPTING FINDINGS RELATING TO THE REVIEW FOR CONSISTENCY WITH THE GENERAL PLAN TO ALLOW A CONDOMINIUM CONVERSION SUBDIVISION OF A THREE-STORY, FIVE-UNIT BUILDING INTO FOUR RESIDENTIAL CONDOMINIUMS AND ONE COMMERCIAL CONDOMINUM WITHIN A RH-3 (RESIDENTIAL, HOUSE THREE-FAMILY) ZONING DISTRICT AND A 40-X HEIGHT AND BULK DISTRICT.

#### **PREAMBLE**

On March 31, 2015, David Gellman (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, five-unit building into four residential condominiums and one commercial condominium within a RH-3 (Residential, House Three-Family) Zoning District and a 40-X Height and Bulk District. The subject building is considered a legal use as the Report of Residential Building Record indicates that the legal authorized occupancy and use is a four dwelling unit and one commercial unit building.

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**Draft Motion No. XXXXX** Hearing Date: April 7, 2016

On April 7, 2016, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Condominium Conversion Subdivision Application No. 2015-006156CND.

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 was determined not to be a project under CEQA Guidelines Sections 15060(c) and 15378 because there is no direct or indirect physical change in the environment.

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. 2015-006156CND based on the following findings:

SAN FRANCISCO
PLANNING DEPARTMENT 2

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#### **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.

#### 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 and commercial 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 and commercial 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 and commercial 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 and commercial 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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Draft Motion No. XXXXX Hearing Date: April 7, 2016

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 and commercial 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 and commercial 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. 2015-006156CND.

I hereby certify that the Planning Commission ADOPTED the foregoing **Motion No. XXXXX** on April 7, 2016.

Jonas Ionin Commission Secretary

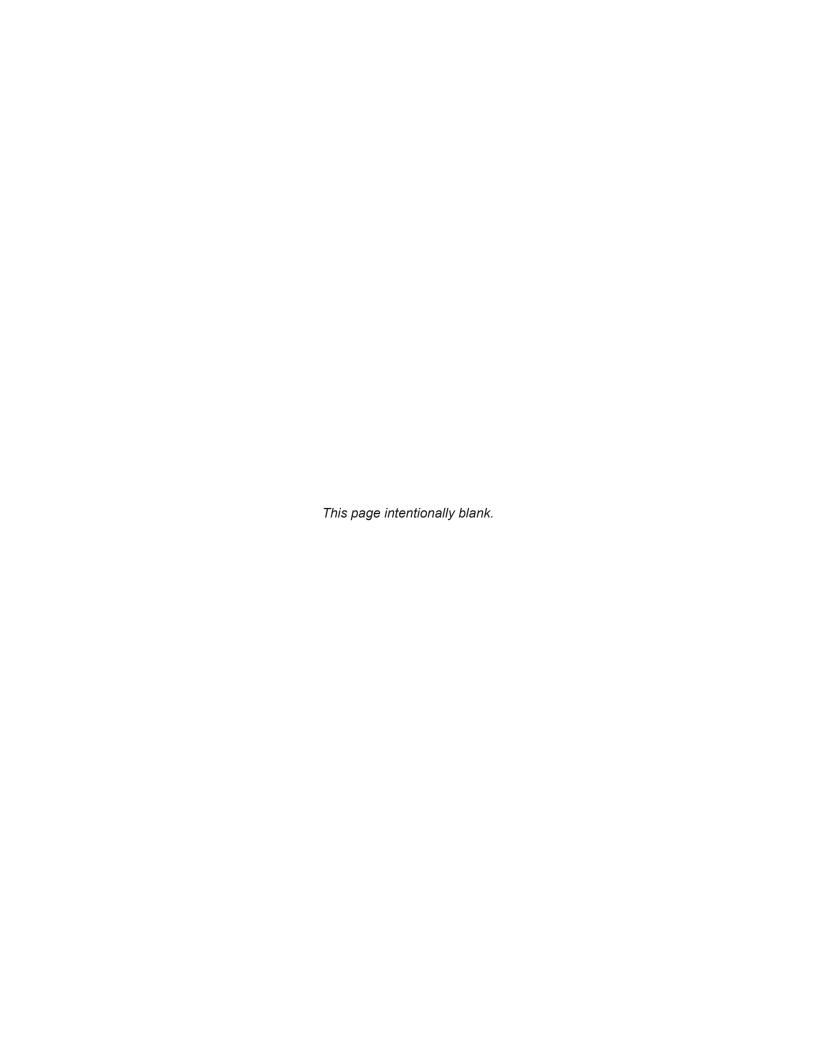
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NAYS:

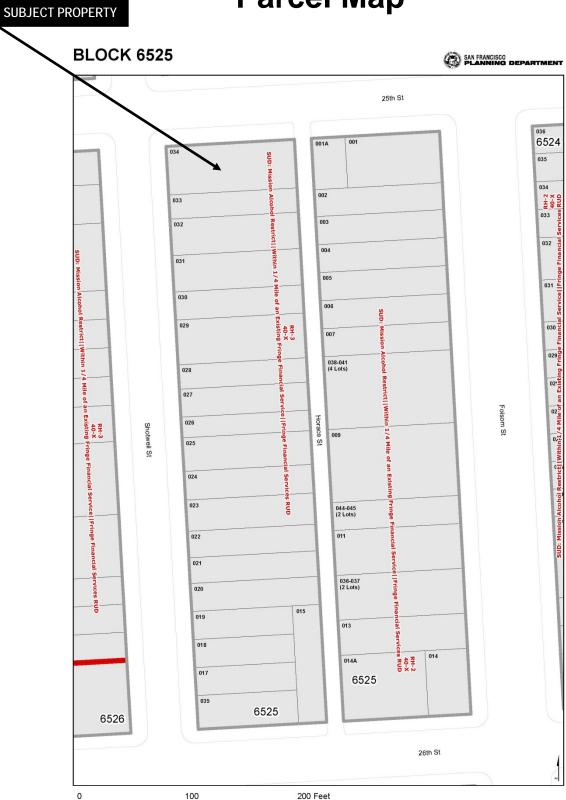
ABSENT:

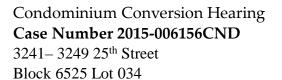
ADOPTED: April 7, 2016

### **Exhibit A**



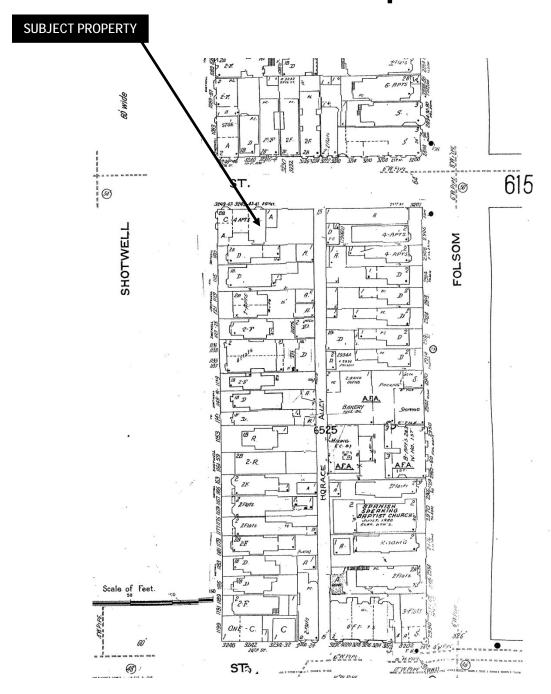
## **Parcel Map**





Printed: 6 Februar

# Sanborn Map\*

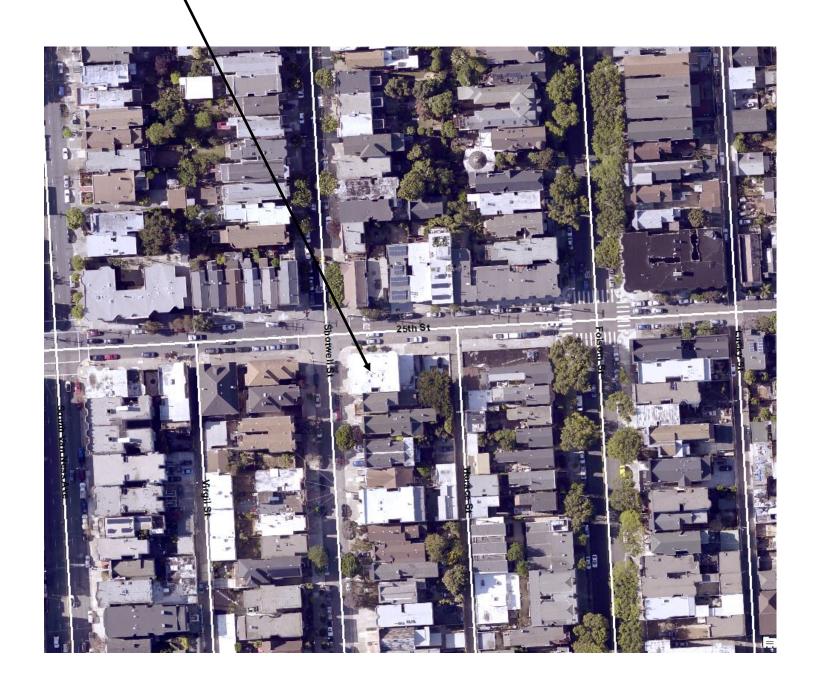


<sup>\*</sup>The Sanborn Maps in San Francisco have not been updated since 1998, and this map may not accurately reflect existing conditions.



### **Aerial Photo**

### SUBJECT PROPERTY





# **Zoning Map**





# **Height and Bulk Map**











