### **Executive Summary**

### **Condominium Conversion Subdivision**

HEARING DATE: AUGUST 24, 2017 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

Date: August 17, 2017
Case No.: 2017-007082CND

Project Address: 758 HAIGHT STREET

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

40-X Height and Bulk District

Block/Lot: 0846 / 015

Project Sponsor: Zachary Cohen, Stephanie Moore, Yael Shrager, Dale Gillespie, Cairn

Grace Wu, Karim N. Gargour

758 Haight Street

San Francisco, CA 94117

Staff Contact: David Weissglass – (415) 575-9177

david.weissglass@sfgov.org

Recommendation: Approval

#### PROJECT DESCRIPTION

The project proposes to convert a four-story, five-unit building into 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
1	715	1
2	665	1
3	1,152	2
4	984	1
5	1,028	2

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#### **Rental History:**

- All 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	
1	Unknown	Alex Appelqvist	N/A,	Sale	
			owner		
1	03/29/2013 - 12/16/2013	Viraseni Wu / Cairn Grace Wu	N/A,	N/A, daughter	
			owner	of owner	
1	12/17/13 – Present	Cairn Grace Wu	Own	N/A, owner	Yes
2	09/01/2010 - Present	Karim N. Gargour	Own	N/A, owner	Yes
3	Unknown	758 Haight Street LLC	N/A,	Sale	
			owner		
3	03/15/2014 – Present	Yael Shrager	Own	N/A, owner	Yes
4	04/05/2010 - 05/20/2015	Nicholas Syrett	N/A,	Sale	
			owner		
4	05/29/2015 – Present	Zachary Cohen / Stephanie	Own	N/A	Yes
		Moore			
5	03/30/2010 - Present	Dale Gillespie	Own	N/A	Yes

#### SITE DESCRIPTION AND PRESENT USE

The project site is located at 758 Haight Street on the north side of Haight Street between Scott and Pierce Streets on Assessor's Block 0846, Lot 015. The project site is located within a RH-3 (Residential-House, Three Family) Zoning District, 40-X Height and Bulk District, and is approximately 4,125 square feet in size (approximately 30 feet wide by 137 feet 6 inches deep). The four-story building is occupied by five dwelling units and was constructed circa 1900.

#### SURROUNDING PROPERTIES AND NEIGHBORHOOD

The project site is located in the Western Addition neighborhood. The surrounding development consists mainly of multi-unit residential buildings, and the scale of development predominantly consists of two-to four-story buildings. There are a few commercial frontages on the block, with the blocks of Haight Street between Steiner and Webster Streets, located a few blocks to the east, containing a higher concentration of commercial frontages. The project site is within 1,000 feet of the Divisadero Street Neighborhood Commercial Transit District, located about two blocks to the west of the subject property.

#### **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.

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#### HEARING NOTIFICATION REQUIREMENTS

TYPE	REQUIRED PERIOD	REQUIRED NOTICE DATE	ACTUAL NOTICE DATE	ACTUAL PERIOD
Posted Notice	10 days	August 14, 2017	August 14, 2017	11 days
Mailed Notice	10 days	August 14, 2017	August 14, 2017	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 density of three dwelling units per lot can be considered legal and conforming to the Planning Code. One unit per 1,000 square feet of lot area can be permitted in the Zoning District with Conditional Use Authorization. The Report of Residential Building Record (3-R) shows that the legal use of the subject building is a five-family dwelling. As the property was never granted Conditional Use Authorization to allow a density above three dwelling units per lot, the subject property is considered legally nonconforming with respect to the density limits of Planning Code Section 209.1.

#### 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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758 Haight Street

• 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	clude	d in this packet <u>DNW</u>	
			Planner's In	itials

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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

### Planning Commission Draft Motion Fax: 415.558.6409

**HEARING DATE: AUGUST 24, 2017** 

Planning Information: **415.558.6377** 

1650 Mission St.

CA 94103-2479

Suite 400 San Francisco.

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ADOPTING FINDINGS RELATING TO THE REVIEW FOR CONSISTENCY WITH THE GENERAL PLAN TO ALLOW A CONDOMINIUM CONVERSION SUBDIVISION OF A FOUR STORY, FIVE-UNIT BUILDING INTO RESIDENTIAL CONDOMINIUMS WITHIN A RH-3 (RESIDENTIAL-HOUSE, THREE FAMILY) ZONING DISTRICT AND A 40-X HEIGHT AND BULK DISTRICT.

#### **PREAMBLE**

On April 25, 2017, Zachary Cohen (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 four story, five-unit building into residential condominiums 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 five-unit dwelling.

On August 24, 2017, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Condominium Conversion Subdivision Application No. 2017-007082CND.

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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:
  - 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. 2017-007082CND 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.

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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:

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.

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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.

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.

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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. 2017-007082CND**.

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on August 24, 2017.

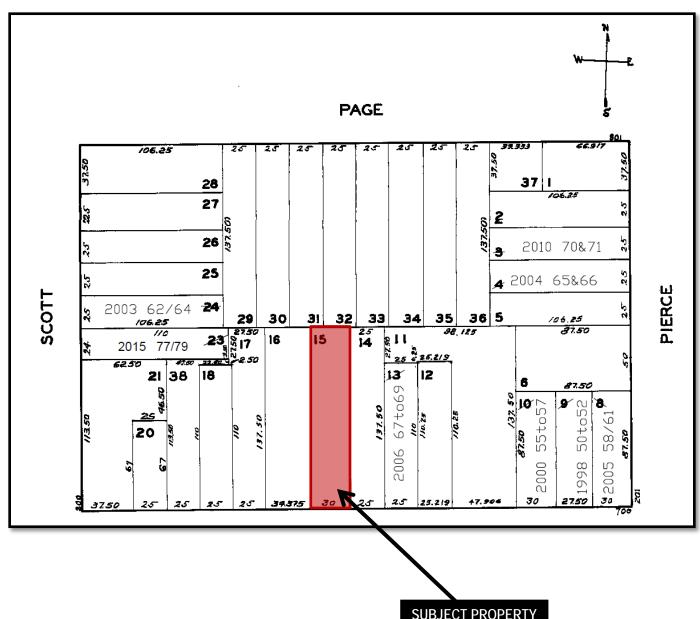
Jonas Ionin
Commission Secretary

AYES:
NAYS:
ABSENT:

August 24, 2017

ADOPTED:

### **Block Book Map**

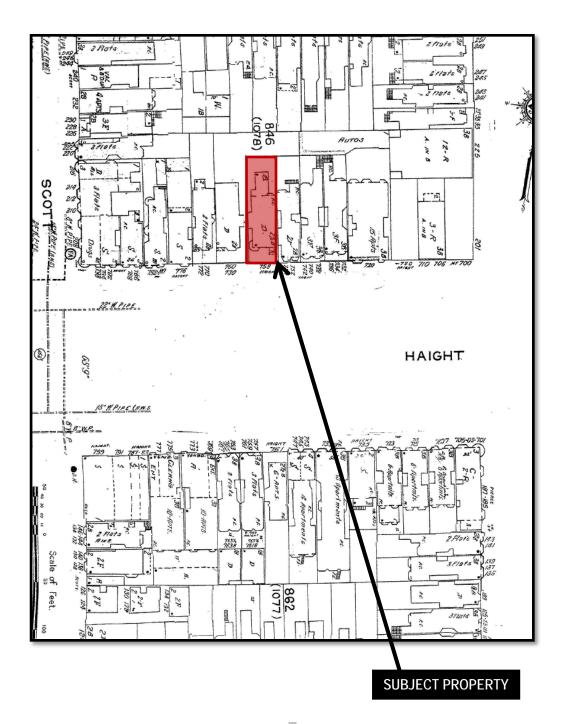


SUBJECT PROPERTY





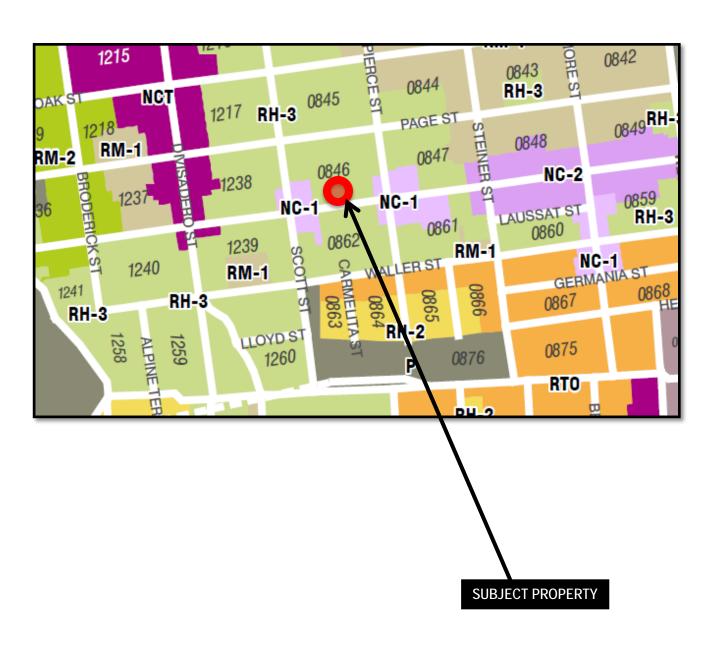
## Sanborn Map





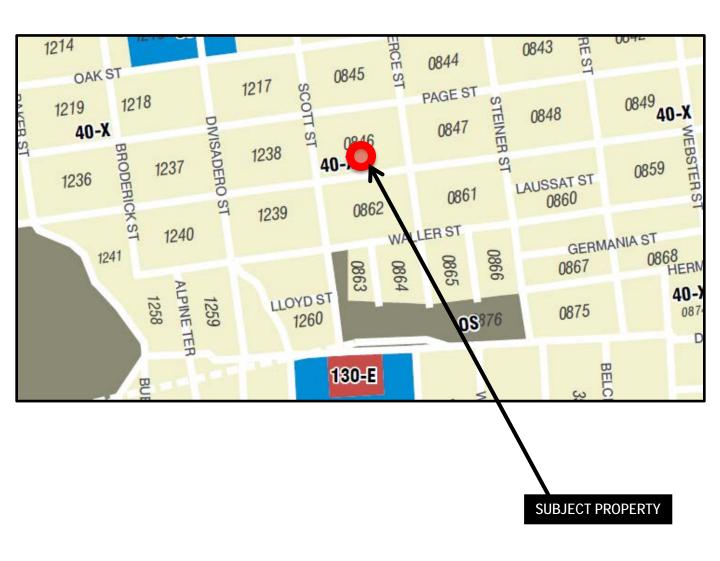


## **Zoning Map**





## Height and Bulk Map





### **Aerial Photo**

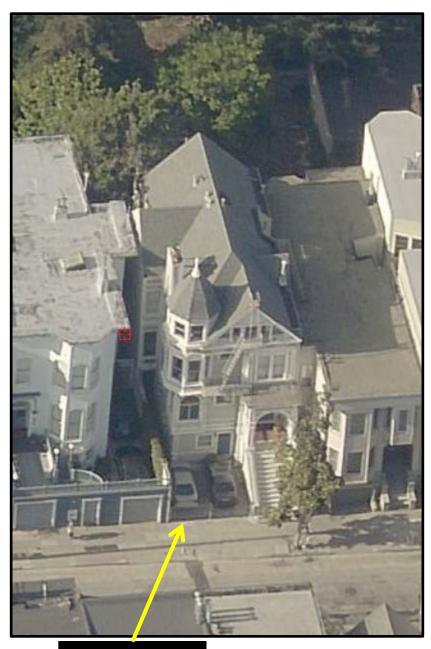


SUBJECT PROPERTY





### **Aerial Photo**



SUBJECT PROPERTY





## **Site Photo**

