

DATE ISSUED: July 20, 2005 REPORT NO. 05-163

ATTENTION: Land Use and Housing Committee  
Agenda of July 27, 2005

SUBJECT: Recommendations on Possible Condominium Conversion Regulations

REFERENCE: Planning Commission Report No. PC-05-151 dated May 20, 2005;  
Manager's Report No. 05-060 dated March 9, 2005

SUMMARY

Issue – Should the Land Use and Housing Committee RECOMMEND preparation of ordinance changes and environmental documentation necessary to implement the Manager's recommended changes to condominium conversion regulations.

Manager's Recommendation – Revise the regulations pertaining to projects seeking a condominium map to allow conversion of units from rentals to condominiums. A series of specific recommendations is included in the discussion section of this report.

Planning Commission Recommendation – The Planning Commission's position and suggestions on each of the Manager's recommendations is provided in the discussion section of this report.

Other Recommendations – The San Diego Chamber of Commerce Housing Committee recommended adoption of the Manager's recommendations except that they believe the option of allowing conversion applicants to pay an in-lieu fee if they cannot meet the parking requirements and payment of an in-lieu fee to meet the Inclusionary Housing requirements should be allowed.

Environmental Impact – The proposed actions are exempt from the California Environmental Quality Act (CEQA) pursuant to state CEQA Guidelines Section 15301 "Existing Facilities."

Fiscal Impact – Not yet determined. Conversions are processed under deposit accounts which are fully cost recoverable. Additional fees for condominium conversion applicants may be necessary for administration and to implement the recommended policies. Condominium conversions generally result in increased property revenues to the City. Restrictions on condominium conversions could reduce this increase.

Housing Affordability Impact – The actions proposed by the Manager and Planning Commission are intended to balance the goal of providing more affordable for-sale housing with the need to protect the supply of affordable rental housing and to minimize negative impacts to lower- and moderate-income renters.

## BACKGROUND

During the past two years, applications for condominium maps to allow conversions have accelerated. Between February 1, 2004, (when condominium conversion regulations were last revised) and June 28, 2005, applications to convert 11,422 rental units to condominiums were submitted to the City. By comparison, during the five-year period from January 1999-2004 applications to convert only 2,275 rental units were received and virtually no applications for conversions were received from 1990-1998. In addition, an unknown number of “off-the-shelf” conversions have been proceeding. These units, which are in buildings that had been operating as rentals and already had condominium maps, do not currently require any City approvals and are not tracked by the City. A table showing the number of units and projects for which tentative map or map waiver applications were submitted from 1999 to June of 2005, to allow conversion of existing rental units to condominiums, is attached to this report. Figures are provided for each community planning area in which applications were received (see Attachment).

During the past year there has been a large increase in applications to convert older, smaller projects that were built and planned to be rental units. The Planning Commission has expressed heightened concern about the conversion of these older, smaller units, most of which are located south of Interstate 8 and in beach communities. Many were constructed in the 1960s and 1970s when parking and landscaping standards were significantly less than current standards.

On March 9, 2005, the Planning Commission and Land Use and Housing Committee held a joint workshop to discuss the recent rapid increase in condominium conversions in San Diego and options for addressing this issue. Following the workshop, the Planning Commission and Land Use and Housing Committee asked staff to evaluate and prepare recommendations regarding several specific suggestions for addressing and minimizing the potential negative impacts resulting from condominium conversions. A stakeholders meeting was held to obtain input from people on all sides of this issue. Staff recommendations were developed and are described below in the discussion section of this report.

On May 26, 2005, the Planning Commission held a hearing to discuss these staff recommendations. The Planning Commission agreed with many of them, recommended modification to others, disagreed with a few and added some additional recommendations. In summary, the Planning Commission believes additional requirements are necessary to ensure older properties that are being converted are “good neighbors” in their communities following

conversion. In addition, they believe there should be increased protection for prospective buyers of the converted units. Their specific recommendations are described in detail in the discussion section of this report. They also expressed the desire that Planning Commission and City Council hearings on this issue be scheduled as soon as possible.

## DISCUSSION

The following are the specific issues that staff was asked to evaluate and make recommendations on:

### **1. Should relocation assistance be continued or expanded?**

**Manager's Recommendation:** The relocation policy should be revised to require that all tenants displaced by condominium conversions, regardless of income, should receive a relocation payment equivalent to three months rent. The trigger date for relocation payments should continue to be the date on which a Notice to Vacate is received by the tenants.

**Planning Commission Recommendation:** All tenants, regardless of income, who are displaced by condominium conversions should receive a relocation payment equivalent to one month's rent if they lived in the unit for a year or less or three months rent if they lived in the unit for more than a year from the date the Notice of Intent to Convert is received. The trigger date for relocation payments should be the date tenants receive a Notice of Intent to Convert (vote 5-1).

**Analysis:** All tenants forced to relocate are impacted by costs associated with moving and finding a home in an expensive market. Currently, three months relocation assistance is granted only to those tenants who earn less than the Area Median Income. However, all tenants, regardless of income, suffer an inconvenience, whether financially or otherwise, upon being displaced.

The review process for relocation assistance has been time consuming and administratively difficult for both developers and staff. Tenants have also complained that the review process requires too much detailed personal financial information, and is infringing upon their privacy. Some tenants, although financially eligible, do not apply for assistance for this reason.

The Planning Commission believes that tenants who have lived in a unit for less than a year should get a smaller relocation payment than longer term tenants. However, staff believes that the negative impacts on and costs for tenants who have lived in a unit for less than a year and who are forced to relocate are just as great as for those who have been tenants for a longer period. In fact, relocation costs may be particularly difficult for people who moved recently incurring such costs twice in a short period of time.

The Planning Commission recommended that the trigger date should be the date the Notice of Intent to Convert is received rather than the date on which the Notice to Vacate is received. Staff believes that the trigger date for relocation payments recommended by the Planning Commission is too early in the process. In some instances, a period of many months or even years may elapse between Notice of Intent to Convert and Notice to Vacate. Therefore, the pool of tenants eligible for relocation would gradually diminish and fewer people would receive relocation benefits.

**2. Should future approval of condominium conversions be tied to the vacancy rate for low- and moderate-cost units?**

Manager's Recommendation: Approval of condominium conversions should not be subject to the vacancy rate for low- and moderate-cost units.

Planning Commission Recommendation: Adopt Manager's recommendation (vote 6-0).

Analysis: The Planning Department has contacted the two organizations that have been conducting rental vacancy rate surveys in San Diego for many years: the San Diego Apartment Association and MarketPointe Realty Advisors. Neither of these organizations gathered information on vacancy rates for units by rent level and both believe that it would be very difficult to gather such data. Vacancy rates are difficult to measure and are generally less reliable than data on rent levels. Also, an inconsistent policy toward condominium conversions that varies from year to year depending on vacancy rates would create project processing problems and would result in uncertainty for both conversion applicants and tenants. Market fluctuations occur all the time and conditions can change rapidly.

**3. What parking, landscape, plumbing, electrical, roof, wall, fire and HVAC standards should be required for projects requesting condominium maps to allow conversion?**

Manager's General Recommendation: The Planning Department and the Development Services department suggest that, in the future, condominium conversions should meet standards that would make newly converted condominiums "good neighbors" in their communities and be consistent with reasonable consumer protection standards. The suggested standards, which are discussed below and summarized in Table 1, would in some instances be higher than what existed at the time the units were constructed. The City does not currently require upgrades for condominium conversions that meet building and zoning code requirements that were in effect at the time the units were constructed.

Planning Commission Recommendation: The Planning Commission concurred with this general recommendation and with the Manager's recommendations on items B-H below (vote 6-0). The Planning Commission made additional recommendations on items A and I as indicated below.

- A. Manager's Parking Recommendation: One space per unit for one bedroom units, 1.25 spaces per unit for two bedroom units, 1.5 spaces per unit for three bedroom plus units or the requirements in effect at the time the project was constructed, whichever is stricter.

Planning Commission Recommendation: Adopt Manager's recommendation for projects built prior to 1992 with projects built after 1992 required to meet current regulations. A process should be established to address projects that cannot meet these standards, including a parking study of the surrounding area. Analysis should also be done for projects where parking is within a front setback to see if alternative locations for parking can be found or if landscaping can be incorporated. Intent is not to cause owners to lose units (vote 5-1).

Analysis: The Manager's recommendation would assure that converted properties have some off-street parking but would be significantly less restrictive than the existing requirement for new construction, which is 1.5 spaces per unit for one bedroom units, 2 spaces per unit for two bedroom units and 2.25 spaces for three bedroom plus units. The Manager's recommendation would require projects built after 1992 to meet current standards as recommended by the Planning Commission.

- B. Landscaping Recommendation: Provide street trees and/or street yard landscaping per Land Development Code Section 142.0410 requirements.

Analysis: This requirement would assure that converted properties have some landscaping and there would be flexibility in how the landscaping could be provided.

- C. Electrical Recommendation: Require GFCI (Ground Fault Circuit Interrupter) outlets and grounded outlets in bathrooms, kitchens and utility rooms.

Analysis: The recommendation to provide outlets may offer life-safety benefits where no other electrical work is proposed as part of the conversion of a property to a condominium.

The electrical code typically grants nonconforming rights to existing electrical systems that are maintained in good working condition. Alterations to the existing electrical system, such as new circuits or branch circuits, new loads or appliances, must comply with the current edition of the electrical code. Electrical panels may need to be upgraded to accommodate GFCI and arc fault interrupters as is required in the current electrical code. Access to electrical meters and electrical service may be required per the current electrical code and San Diego Gas and Electric requirements if the proposed scope of work necessitates it.

Home inspectors that perform inspections within the context of the real estate transaction and buyer due diligence will point out items that do not comply with current standards and it is up to the buyer and seller to agree on what corrective measures need to be taken.

- D. Plumbing Recommendation: Require converted units to have efficient plumbing fixtures such as low-flow toilets. Do not require retroactive re-plumbing of the building.

Analysis: Efficient plumbing provides environmental benefits at low cost. By contrast, retroactive re-plumbing would be expensive and could pose an undue hardship.

The plumbing code typically grants nonconforming rights to existing potable water distribution and drain/waste/vent systems that are maintained in good working condition. Alterations to the plumbing system for the purpose of repairing

damage must comply with the current code. Replacement of like plumbing fixtures is not regulated per the plumbing regulations.

Re-piping projects involving the entire potable water distribution system or substantial portions of a system will require the entire system to be sized per the current code and to utilize materials permitted in the current plumbing code.

Where the scope of work includes the addition of new plumbing fixtures or appliances, such as automatic dishwashers or clothes washing machines, the plumbing system components serving the new fixtures need to be designed and installed to comply with the current code. The impact of the additional load demand to the overall system needs to be evaluated based on the plumbing code.

- E. Roof Recommendation: Disclosure of the condition of the roof should be included in a Building Condition Report (see Item I below).

Analysis: A building permit is not required for roofing projects on existing buildings when roof structure alterations are not required or proposed. Disclosure of roof condition should be sufficient in these instances.

- F. Dwelling Unit Separation Recommendation: Do not impose any additional regulations on dwelling unit separations for condominium conversions.

Analysis: The building code requires newly constructed multi-dwelling buildings including walls and floors separating dwelling units in the same building to be of not less than one-hour fire-resistive construction. This requirement became effective on January 1, 1990. Two-story buildings constructed prior to this date will not have been constructed to comply with this requirement. It will be impractical to require existing floor/ceiling assemblies to be upgraded as the sub-flooring would need to be upgraded to a double-wood floor or would require a light weight concrete topping. Upgrading of existing dwelling separation walls may not be practical if existing wall-hung cabinetry are to remain and if existing prefabricated tub and shower enclosures are to remain.

- G. Smoke Alarm Recommendation: Require wired and interconnected smoke detectors within each unit being converted to a condominium.

Analysis: Smoke detectors can provide life-safety benefits to occupants of a multi-unit dwelling which is undergoing upgrading during conversion to condominium ownership.

The building code currently only requires that battery-operated smoke detectors be added within dwelling units when the value of an interior remodel exceeds \$1,000. Detectors required in hallways and sleeping rooms are not required to be interconnected to sound simultaneously. However, interconnected smoke detectors sound simultaneously upon detection by one detector, thereby providing early notification to occupants of hazards in adjacent rooms or areas and would therefore, significantly enhance safety.

- H. Window Replacement Recommendation: The replacement of windows providing emergency escape and rescue openings for sleeping rooms in units being converted to condominiums should be required to comply with the minimum sill height and clear opening size required by the current building code.

Analysis: The recommendation above is recommended to ensure health and safety of condominium buyers.

- I. Manager's Building Condition Report Recommendation: A building condition report should be required for condominium conversions in which the operating systems of a building are to remain. The report should evaluate compliance with health and safety standards and current construction codes. The report should be accepted prior to the granting of the discretionary permit and should be provided to buyers of the converted units.

Planning Commission Recommendation: The Planning Commission supported requiring a building condition report, by a 6-0 vote, with the following additional stipulations:

- 1) The report should address building foundations and walls, roofs, electrical systems, plumbing systems, mechanical systems, recreational facilities, parking and paved areas and drainage facilities.
- 2) Buildings over six years old must include in the report a Property Facilities Analysis completed by a licensed structural engineer. If this analysis shows any integral component to have a useful life of less than five years, it should be replaced prior to sale.
- 3) Plumbing, heating, electrical and roofing systems, should be proven safe and in good operating condition. Appliances and ceilings should be energy efficient.
- 4) A detailed list of intended improvements to the property should be provided and these should be appropriate to support any new appliances to be included in the converted units.
- 5) Elevations of all sides of the property should be provided showing improvements with scaled architectural drawings. Drawings should show the buildings with proposed structural and cosmetic improvements. Prospective purchasers should be provided with the report and drawings.

Analysis: The purposes of the recommended report are to ensure that buyers are fully aware of the condition of the property they are purchasing and that the property has been improved to the point where the homeowners' association will not be faced with major repairs and needs during the first five years of operation. The Manager is supportive of the suggestions regarding this report recommended by the Planning Commission.

**Table 1: Summary of Suggested “Good Neighbor” Regulations**

<b>Good-Neighbor Regulation</b>	<b>Recommendation</b>	<b>Analysis</b>
<b>Parking</b>	<ul style="list-style-type: none"> <li>• One space per unit for one bedroom units</li> <li>• 1.25 spaces per unit for two bedroom units</li> <li>• 1.5 spaces per unit for three bedroom plus units</li> </ul>	<ul style="list-style-type: none"> <li>• Would assure that converted properties have some off-street parking</li> <li>• Would be significantly less restrictive than the existing requirement for new construction</li> </ul>
<b>Landscaping</b>	<ul style="list-style-type: none"> <li>• Street trees and/or street yard landscaping per LDC Section 142.0410 requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Would assure that converted properties have some landscaping</li> <li>• Allows some flexibility</li> </ul>
<b>Electrical</b>	<ul style="list-style-type: none"> <li>• Require GCFI outlets and grounded outlets in certain areas</li> </ul>	<ul style="list-style-type: none"> <li>• May offer life-safety benefits where no other electrical work is proposed</li> </ul>
<b>Plumbing</b>	<ul style="list-style-type: none"> <li>• Require efficient plumbing fixtures</li> <li>• Do not require retroactive re-plumbing of the building</li> </ul>	<ul style="list-style-type: none"> <li>• Efficient plumbing provides environmental benefits at low cost</li> <li>• Retroactive re-plumbing could pose undue expense/hardship</li> </ul>
<b>Roof</b>	<ul style="list-style-type: none"> <li>• Roof condition should be included in a Building Condition Report</li> </ul>	<ul style="list-style-type: none"> <li>• Disclosure of roof condition is sufficient when roof structure alterations are not required or proposed</li> </ul>
<b>Dwelling Unit Separation</b>	<ul style="list-style-type: none"> <li>• No additional regulations on dwelling unit separations</li> </ul>	<ul style="list-style-type: none"> <li>• Impractical to require existing floor/ceiling assemblies or separation walls to be upgraded</li> </ul>
<b>Smoke Alarm</b>	<ul style="list-style-type: none"> <li>• Require wired and interconnected smoke detectors</li> </ul>	<ul style="list-style-type: none"> <li>• Would provide life-safety benefits to occupants during conversion to condominium ownership</li> </ul>
<b>Window Replacement</b>	<ul style="list-style-type: none"> <li>• Replacement of windows providing emergency escape to meet current building code</li> </ul>	<ul style="list-style-type: none"> <li>• Will help ensure health and safety of condominium buyers</li> </ul>
<b>Building Condition Report</b>	<ul style="list-style-type: none"> <li>• Should evaluate compliance with health and safety standards and current construction codes</li> </ul>	<ul style="list-style-type: none"> <li>• Will help ensure buyers are fully aware of building condition</li> <li>• Identified deficiencies must be repaired prior to sale of units</li> </ul>



**4. Should undergrounding of utilities be required for condominium conversions?**

Manager's Recommendation: Undergrounding of utilities is not recommended as a condition for approval of condominium conversions.

Planning Commission Recommendation: Adopt Manager's recommendation except that utilities should be undergrounded from the power source (distribution line) to the building (vote 5-1).

Analysis: The citywide undergrounding program is proceeding by area based on an established schedule. In general, piecemeal undergrounding along the frontage of one apartment or condo complex is not cost effective or beneficial. Requiring undergrounding for condo conversions in areas where the surrounding area has not been undergrounded would be costly and could prohibit some conversions while providing no real benefit to the surrounding community. Staff concurs with the Planning Commission that funding the portion of the undergrounding from the distribution line to the building should be the responsibility of the conversion applicant.

**5. Should on-site provision of inclusionary housing be required for condominium conversions that seek a condominium map?**

Manager's Recommendation: Condominium conversions with ten units or more should meet their ten percent inclusionary requirement on-site.

Planning Commission Recommendation: Adopt Manager's recommendation (vote 6-0).

Analysis: On-site provision of the City's ten percent inclusionary housing requirement would be easier for a condominium conversion project than for new construction because the units already exist on site. This requirement would help the City address its acute shortage of affordable units. An inclusionary requirement of more than ten percent could be challenged unless the City's overall requirement is increased as well. It would also be difficult to impose an on-site requirement for projects with fewer than ten units unless the City's overall requirements are changed.

**6. Should a cut-off date be established after which condominium conversion requests must meet new regulatory requirements?**

Manager's Recommendation: Proposals for condominium maps received by the City after the date on which new regulations are adopted by Council should be subject to the new requirements.

Planning Commission Recommendation: Adopt Manager's recommendation (vote 6-0).

Analysis: Rents and vacancy rates have not markedly increased in the past two to three years. Rents have been rising along with inflation but, unlike home prices, have not been rising significantly faster than the overall rate of inflation. Therefore, an emergency situation does not exist that would warrant a retroactive cut-off date for new regulations that may be adopted concerning condominium conversions.

**7. Should relocation payment requirements, "good neighbor" and consumer**

**protection upgrades be required for “off-the-shelf” conversions that already have a condominium map?**

Manager’s Recommendation: Relocation payments should be required for “off-the-shelf” conversions that already have a condominium map. A revision to the Municipal Code should be made to authorize this requirement. Application of the inclusionary requirement and upgrades should not be required for conversions that already have a condominium map.

Planning Commission Recommendation: Do not adopt Manager’s recommendation (vote 6-0). The Planning Commission believes that tenants in projects that are already mapped as condominiums should be aware that they are living in a unit that could be converted to a condominium and should not be eligible for relocation payments.

Analysis: The City’s police power to aid displaced renters could be applied to “off-the-shelf” condominium conversions allowing the City to require rental assistance for tenants in these conversions as well as those that do need to obtain condominium maps. However, this would require a change in the Municipal Code. Enforcement of this would have to be complaint driven because if a City approval (condominium map) is not required, the City would only know about the conversion if impacted tenants inform the City.

While tenants in projects that already have a condominium map should be aware that they are living in a property that could be converted at any time as suggested by the Planning Commission, many tenants in such projects claim that they had no knowledge that their building was a condominium and could be converted until they received Notice of Intent to Convert.

Other requirements that impact conversions required to obtain a condominium map, including the inclusionary requirement, and “good neighbor” or consumer protection upgrades, cannot be imposed upon conversion projects that already have a condominium map because these projects already have legal entitlements necessary to become condominiums.

**8. Should condominium conversions be subject to park fees?**

Manager’s Recommendation: Conversion of rental units that were built prior to the City’s enacting a requirement to pay park fees should not trigger a requirement to pay fees retroactively as a condition of obtaining a condominium map.

Planning Commission Recommendation: Staff should address and bring forward to the Land Use and Housing Committee a method of addressing park fees for units that did not pay park fees at the time of construction (vote 5-1). The Planning Commission was concerned that older projects that did not pay park fees at the time of construction should as “good neighbors” contribute to upgrading the quality of life in their neighborhood.

Analysis: In general, conversions of rental apartments to condominiums would not create a new need for parks or additional impacts to parks because the number of units and size of the units would be unchanged following conversion. It may be possible to request that applicants volunteer to provide money for parks. However, the City Attorney has indicated that requiring a payment of fees for this purpose is not legally permissible unless new units are added as part of a conversion process.

**9. Should a minimum overall project size (number of units) be required for projects to be able to convert to condominiums?**

Manager's Recommendation: There should be no minimum size limit.

Planning Commission Recommendation: Adopt Manager's recommendation (vote 6-0).

Analysis: Adoption of a minimum size limit for condominiums would require amendments to the City of San Diego Progress Guide and General Plan and zoning code. These amendments are not recommended. Unless approval of a proposed conversion of a small project would create a threat to public health, safety, or general welfare, the City should not deny approval on the basis of unit count. The consumer protections that would be provided if a building conditions report is required (recommendation No. 3-I above) would provide necessary protections for buyers of units in smaller condominium complexes.

**10. Should an economic hardship waiver process be established for projects that cannot meet increased standards that may be adopted for condominium conversions?**

Manager's Recommendation: There should be no economic hardship waiver process.

Planning Commission Recommendation: Adopt Manager's recommendation (vote 4-2).

Analysis: It would be very difficult to decide what constitutes an economic hardship. A subjective determination that a particular rental project must convert to be economically viable and at the same time cannot upgrade to standards deemed to be desirable for converted properties would be difficult to make and to defend. Neither staff nor the decision makers would be easily able to determine all the financial issues that could impact financial viability.

**11. Could units be restricted to be for buyers only for a specified time period to eliminate speculators who intend to turn over units quickly or rent them out?**

Manager's Recommendation: The City should not impose limitations on property owners' rights to move out of their property or to rent their property.

Planning Commission Recommendation: Adopt Manager's recommendation (vote 6-0).

Analysis: Although lenders may impose this sort of limitation in some instances, the City Attorney has advised that attempts by the City to do so would be an illegal restriction of property rights.

**12. What additional steps can be taken to resolve noticing problems?**

A. Manager's Recommendation on Tenants' Rights: Require condominium conversion applicants to provide, with the first notice given to a tenant or a prospective tenant, a comprehensive list of all notices the tenant will receive and of their rights and benefits as tenants. The Development Services department could establish the form and content of this initial notice in the Land Development Manual.

Planning Commission Recommendation: Adopt Manager's recommendation with stipulation that the explanation to tenants be no more than one page, two pages if double-sided and should be easy to read and understand (vote 6-0).

Analysis: Tenant notices are required by state law at various specific times during the condominium conversion process. The required legal language in those notices does not explain the process and may confuse tenants not familiar with the conversion process. If a tenant moves right after receiving a notice, they may forfeit relocation benefits and the right to purchase. The City cannot modify the state noticing requirements but can add to them. Providing tenants with a comprehensive explanation of the notices they will receive and their rights would reduce confusion and allow them to make informed decisions.

- B. Manager's Recommendation for Small Projects: Require conversions of four units or less also provide a 90-Day Notice of Intent to Sell and Right to Purchase to tenants who rented after the Parcel Map or Certificate of Compliance was filed.

Planning Commission Recommendation: Adopt Manager's recommendation (vote 5-1).

Analysis: Section 66459 of the state Map Act, which requires that tenants who rented a unit being converted after the final map is filed, be given a 90-Day Notice of Intent to Sell and a 90-Day Right to Purchase the unit, specifically excludes conversions of four or less units. This does not preclude the City from requiring these tenants' rights by local ordinance. All other tenants' rights are applied to all conversions regardless of the number of units being converted and it would seem only fair to extend these important rights to all conversions as well.

**13. What additional steps have been or can be taken regarding provision of homebuyer assistance to occupants of units undergoing conversion to condominiums?**

Manager's Recommendation: Expand the condominium conversion home purchase programs to be applicable to any eligible home purchase in the City.

Planning Commission Recommendation: Since this recommendation has already been implemented, the Commission did not vote on this.

Analysis: On April 22, 2005, the Housing Commission approved expansion of the condominium conversion home purchase programs to be applicable to any eligible home purchase in the City. This change will allow tenants, displaced by conversion, to buy any home, rather than being restricted to purchasing the unit from which they were displaced.

**14. Additional Recommendations and Suggestions from the Planning Commission?**

The Planning Commission passed a motion by a 6-0 vote suggesting the following issues be looked at by staff and possibly assigned to a task force:

- Assess impacts of conversion on availability of rental and for-sale housing in various neighborhoods.
- Determine whether impacts of conversion are concentrated in specific neighborhoods and how the socioeconomic structures of communities are impacted.
- Propose solutions to improve visual impact of older properties with parking in the front

setback.

- Assess land use impacts of conversions that occur in redevelopment areas.
- Consider alternative compliance or deviation/variance procedures for projects that cannot meet “good neighbor” standards.
- Assess the Americans with Disabilities Act provisions as they impact condominium conversions and the common areas in converted properties.

## CONCLUSION

If the Land Use and Housing Committee recommends adoption of revisions to the regulations for condominium conversions, necessary ordinance changes, environmental review and a procedure manual will be prepared for consideration by the Community Planners Committee, Technical Advisory Committee, Housing Commission, Planning Commission and City Council. Some of the Manager’s and Planning Commission’s recommendations would add new responsibilities for the Development Services department and the San Diego Housing Commission. Therefore, fees or fee increases may be proposed to accomplish the work necessary to administer and implement these recommendations.

Respectfully submitted,

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S. Gail Goldberg, AICP  
Planning Director

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Approved: Ellen Oppenheim  
Deputy City Manager

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Gary Halbert, PE, AICP  
Development Services Director

SGG/CAC/GH/WL/ah

Attachment: [Applications for condominium maps, 1999-June 2005](#)