



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

Public Hearing
November 13, 2007

**Honorable Mayor and
Members of the City Council**

Title: Capitol Villa Condo Conversion (P07-065)

Location: 1411 E Street; Assessor's Parcel Number: 002-0125-024

Council District: Council District 3

Recommendation: Conduct a public hearing and upon conclusion 1) adopt a **Resolution** determining the project exempt from environmental review; and 2) adopt a **Resolution** approving a Tentative Subdivision Map and Special Permit to convert a vacant fourplex apartment into four condominium units within a structure listed on the Sacramento Register as a Contributing Resource in the Washington Historic District.

Contact: Elise Gumm, Assistant Planner, 808-1927; Stacia Cosgrove, Senior Planner, 808-7110

Presenters: Elise Gumm, Assistant Planner

Department: Development Services

Division: Planning

Organization No: 4885

Description/Analysis

Issue: The applicant is requesting to convert a vacant fourplex apartment into four condominium units within a structure listed on the Sacramento Register as a Contributing Resource in the Washington Historic District. Exterior modifications include replacement of the rear staircase and renovation of the existing garage. No expansion of the square footage is proposed. Modification to the interior is proposed in order to upgrade the units. The existing garages, accessed from the alley, provide four parking spaces, one for each unit. The property was originally developed in 1911 with a fourplex apartment building without any on-site parking spaces. Garages were constructed in 1952. On or about 1996, the structure was used as a 6-unit group home based on research of City building permits for upgrading the structure. The current owners purchased the building as a vacant

structure in 2004 and the structure continues to remain vacant today.

The applicant is requesting a Tentative Map in order to designate the parcel for condominium purposes. The project was reviewed at the Subdivision Review Committee on June 20, 2007 during which the committee recommended that the map be forwarded to Planning Commission for recommendation to Council.

As part of the Special Permit process to convert the units into condominiums, the following documents are required to be provided to the City for analysis: covenants, conditions and restrictions to be recorded, property report, building history report, rental history report, relocation assistance report, report on the sales and lease program for qualified low and moderate income tenants, and tenant survey. Furthermore, the applicant is required to publish a "notice of intent to convert" in order to protect tenants of the building.

The City's ordinance for condominium conversion recognizes the hardship that can be placed upon existing tenants in the process of condominium conversions and therefore has included protection for existing rental tenants. The subject site located at 1411 E Street is currently vacant and has not had rental tenants since August 2006. Therefore, the tenant protection requirements contained in the condominium conversion ordinance are not applicable to this project and will not be addressed. Staff has reviewed the applicable documents including the CC&Rs, building history report, title report, and building inspection report and finds the information adequate for the condominium conversion.

Policy Considerations: The project is consistent with General Plan and Central City Community Plan policies to redevelop residential land uses in a manner which is efficient and utilizes existing and planned urban resources, and promotes infill development as a means to meet future housing needs. The project supports the goal to encourage the conservation and rehabilitation of existing housing stock and historically significant structures and provide opportunities for additional housing stock to meet various housing needs within the Central City.

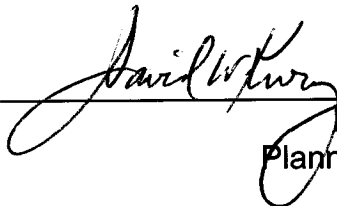
Committee/Commission Action: According to Section 17.192.030 of the Zoning Code, condominium conversion projects require a public hearing by both the Planning Commission and City Council. The Planning Commission heard this project on September 27, 2007 and recommended approval to be forwarded to City Council. This recommendation is based on the conclusion that the project will create ownership opportunities for alternative housing, and the proposal supports numerous policies contained within the Housing Element of the General Plan, Central City Community Plan, and the General Plan Update Vision and Guiding Principles. City Council has final approval authority for the project.


Environmental Considerations: The proposed project is exempt from environmental review pursuant to California Environmental Quality Act (CEQA) Guidelines (CEQA Sections 15331). Section 15331 allows for the exemption of projects involving the maintenance, rehabilitation, restoration, preservation, or reconstruction of historical resources, provided that the activity meets published federal standards for the treatment of historic properties. The Environmental Services Division and Preservation staff has determined that the project is consistent with this categorical exemption.

Rationale for Recommendation: Planning Commission approved the project based on the grounds that the project will create ownership opportunities for alternative housing, and the proposal supports numerous policies contained within the Housing Element of the General Plan, Central City Community Plan, General Plan Update Vision and Guiding Principles. This staff report reflects this decision and the resolution contains findings for approval of project entitlements.

Financial Considerations: This project has no fiscal considerations

Emerging Small Business Development (ESBD): No goods or services are being purchased under this report.

Respectfully Submitted by:  _____
David Kwong
Planning Manager

Approved by:  _____
William Thomas
Director of Development Services

Recommendation Approved:


 _____
Ray Kerridge
City Manager

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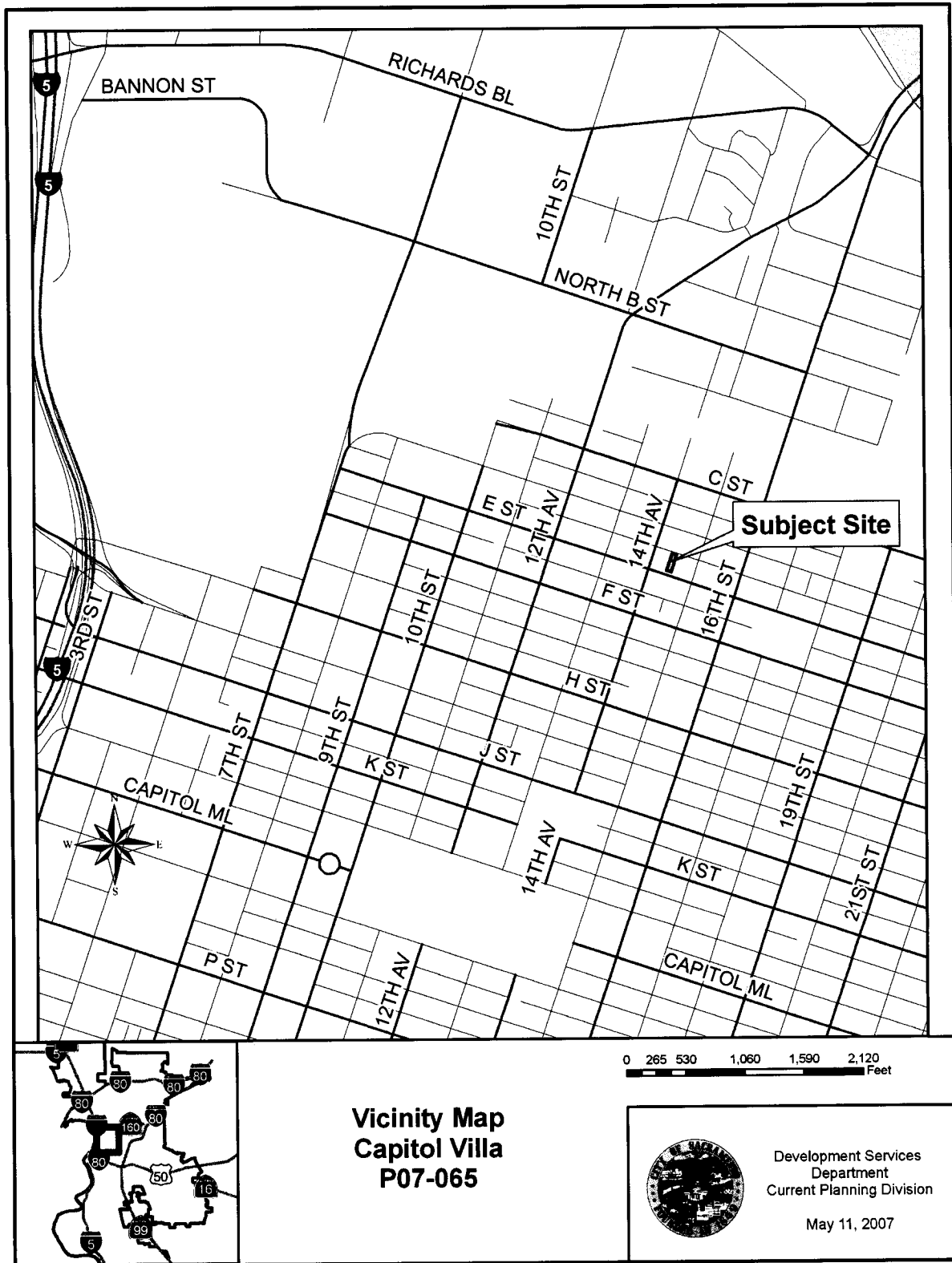
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Attachment 1: Background

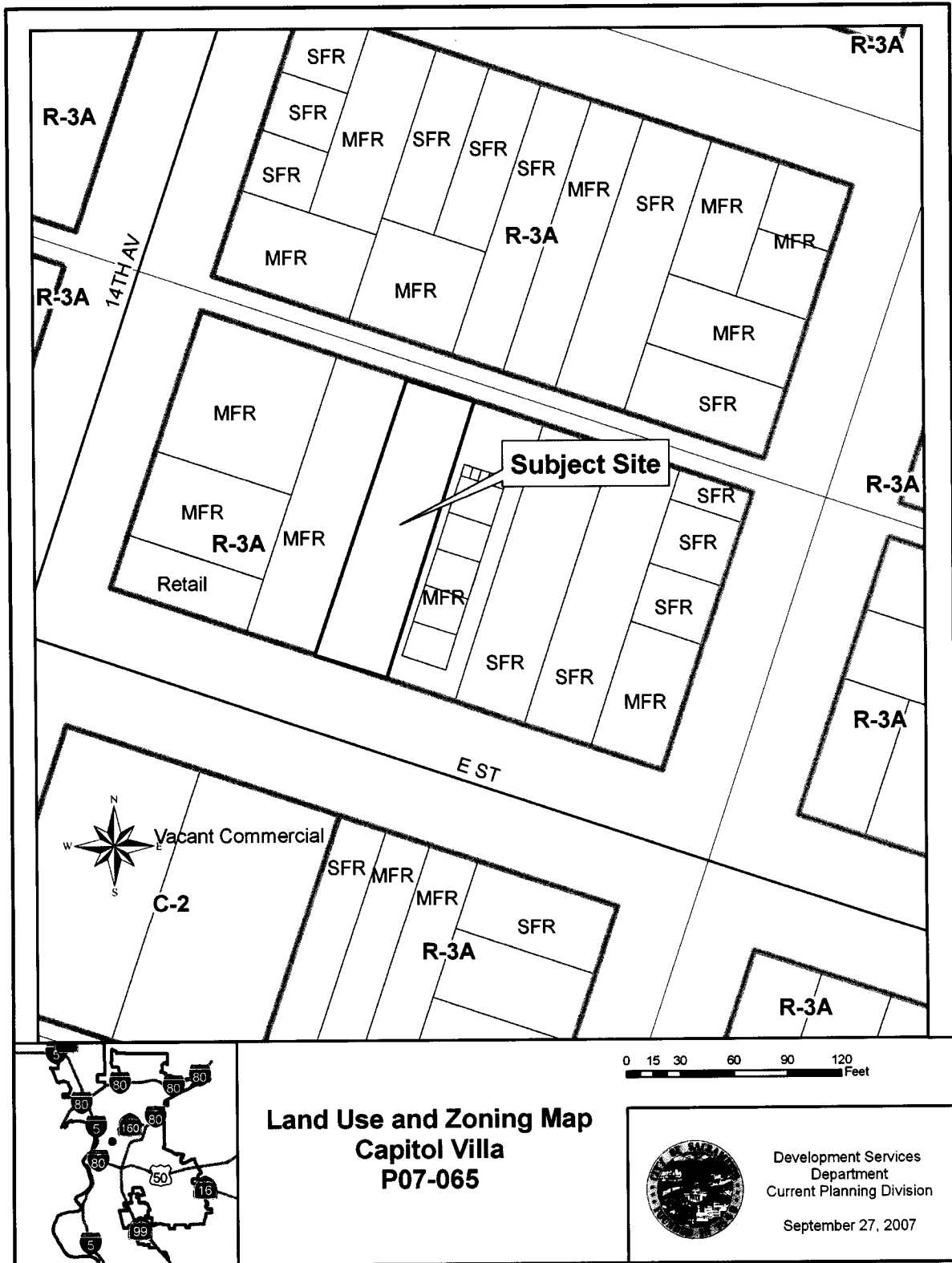
The findings of fact for a special permit for condominium conversion are different than other special permits. See the attached resolutions for staff discussion of each required finding.

Supplemental documents for the project (CC&Rs, building history report, title report, and building inspection report, etc.) can be reviewed on the Department of Development Services public website, under Planning Commission September 27 meeting agenda, <http://www.cityofsacramento.org/dsd/meetings/commissions/planning/2007/CPC-09-27-07-Agenda.cfm>; or on the City of Sacramento public website, under City Council meeting agenda, http://sacramento.granicus.com/ViewPublisher.php?view_id=7, 5 days prior to the scheduled City Council Meeting.

Attachment 2: Vicinity Map



Attachment 3: Land Use and Zoning Map



Attachment 4: Resolution – Environmental Exemption

RESOLUTION NO. 2007-

Adopted by the Sacramento City Council

DETERMINING PROJECT EXEMPT FROM REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (P07-065) (APN: 002-0125-024)

BACKGROUND

- A. On September 27, 2007, the City Planning Commission conducted a public hearing on, and forwarded to the City Council a recommendation to approve with conditions the Capitol Villa Condo Conversion, from a vacant fourplex apartment to four condominium units located at 1411 E Street.
- B. On November 13, 2007, the City Council conducted a public hearing, for which notice was given pursuant Sacramento City Code Sections 16.24.097, 17.212.035, and 17.200.010(C)2)(a), (b), and (c) (publication, posting, and mail 500'), and received and considered evidence concerning the Capitol Villa Condo Conversion.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. Based on the determination and recommendation of the City's Environmental Planning Services Manager and the oral and documentary evidence received at the hearing on the Project, the City Council finds that the Project is exempt from review under **Section 15331 – Historical Resource/Rehabilitation** of the California Environmental Quality Act Guidelines as follows:

This project consists of the maintenance, rehabilitation, restoration, preservation, or reconstruction of historical resources, provided that the activity meets published federal standards for the treatment of historic properties. These federal standards describe means of preserving, rehabilitating, restoring, and reconstructing historic buildings without adversely affecting their historic significance.

This project consists of the conversion of an existing historic fourplex into four separate condominium units.

Attachment 5: Resolution – Special Permit

RESOLUTION NO. 2007-

Adopted by the Sacramento City Council

**APPROVING THE CAPITOL VILLA CONDOMINIUM CONVERSION PROJECT
(P07-065) (APN: 002-0125-024)**

BACKGROUND

- A. On September 27, 2007, the City Planning Commission conducted a public hearing on, and forwarded to the City Council a recommendation to approve with conditions the Capitol Villa Condo Conversion, from a vacant fourplex apartment to four condominium units located 1411 E Street.
- B. On November 13, 2007, the City Council conducted a public hearing, for which notice was given pursuant Sacramento City Code Section Sections 16.24.097, 17.212.035, and 17.200.010(C)2(a), (b), and (c) (publication, posting, and mail 500'), and received and considered evidence concerning the Capitol Villa Condo Conversion.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. Based on the verbal and documentary evidence received at the hearing on the Capitol Villa Condominium Conversion Project, the City Council approves the Project Tentative Map and Special Permit based on the findings of fact and subject to the conditions of approval as set forth below.
- Section 2. The City Council approves the Project Tentative Map and Special Permit based on the following findings of fact:
 - A. **Environmental Determination:** The determination of the Project's exemption from CEQA has been made by Resolution No. ____.
 - B. The **Tentative Map** to designate one parcel for condominium purposes is hereby approved based upon the following findings of fact:
 - 1. None of the conditions described in Government Code Section 66474, subsection (a) through (g), inclusive, exist with respect to the proposed subdivision as follows;

- a. The proposed subdivision, together with the provisions for its design and improvement, is consistent with the City's General Plan, all applicable community and specific plans, and Title 16 of the City Code, which is a specific plan of the City;
 - b. The site is physically suitable for the type of development proposed and suited for the proposed density;
 - c. The design of the subdivision and the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife their habitat;
 - d. The design of the subdivision and the type of improvements are not likely to cause serious public health problems;
 - e. The design of the subdivision and the type of improvements will not conflict with easements, acquired by the public at large, for access through or use, of, property within the proposed subdivision;
2. The proposed subdivision, together with the provisions for its design and improvement, is consistent with the City's General Plan and Chapter 16 of the City Code, which is a Specific Plan of the City. The City's General Plan designates the site as High Density Residential 30+ du/na;
 3. The discharge of waste from the proposed subdivision into the existing community sewer system will not result in a violation of the applicable waste discharge requirements prescribed by the California Regional Water Quality Board, Central Valley Region, in that existing treatment plants have a design capacity adequate to service the proposed subdivision (Gov. code §66474.6);
 4. The design of the proposed subdivision provides, to the extent feasible, for future passive or natural heating and cooling opportunities (Gov. Code §66473.1);
 5. The City Council has considered the effect of the approval of this tentative subdivision map on the housing needs of the region and has balanced these needs against the public service needs of its residents and available fiscal and environmental resources (Gov. Code §66412.3).
- C. The **Special Permit** for condominium conversion to convert a vacant fourplex apartment into four condominium units within a structure listed on the Sacramento Register as a Contributing Resource is hereby approved based upon the following findings of fact:
1. A special permit shall be granted if there exists adequate comparable replacement housing for each eligible tenant in the building proposed for conversion. In this case, staff finds that this requirement is not applicable to the subject condominium conversion because the building is a vacant structure and

has not had rental tenants since August 2006. The project will not displace any tenants.

2. A special permit shall not be granted if it is determined that the average rental vacancy rate in the affected community plan area during the twelve months preceding the date the city-determined rental vacancy rates are issued is greater than five percent otherwise adequate measures have been incorporated that would effectively mitigate the displacement of tenants and any adverse effects upon the rental housing stock in the affected area caused by the conversion. The average rental vacancy rate is 9.6% within the Central City; therefore, it can be assumed that the proposed project will not adversely affect the rental housing stock in the surrounding area.
3. A special permit for condominium conversion shall not be granted if the applicant has not complied with all submittal requirements, public notices to existing tenants, and building inspections. In addition, the project shall be subject to the development standards established for condominium conversions. In this case, staff finds that the applicant has supplied staff with all required documents and is subject to all future building inspections that are applicable to this condominium conversion. No existing tenants are affected by the conversion and therefore the applicant is not required to comply with the tenant notification procedures outlined in the conversion ordinance.
4. A special permit for condominium conversion shall not be granted if the apartment building or residential complex proposed for conversion represents a unique and needed rental housing resource in the city. Staff finds that given the lack of rental tenants in the structure that the proposed conversion does not affect a needed rental housing resource in this area.
5. A special permit for condominium conversion shall not be granted if it is found that the results of the tenant survey indicate strong disapproval for the conversion of the units. Staff finds that in this case, the residential structure is vacant and therefore, the applicant is not required to produce a tenant survey.
6. A special permit use must comply with the objectives of the general or specific plan for the area in which it is to be located. The proposed project is consistent with the residential land use policies and of the General Plan and the Central City Community Plan which encourage the rehabilitation of historically significant structures and to provide additional housing opportunities within the Central City to all economic segments of the population.

7. A special permit shall be granted upon sound principles of land use. In this case, staff finds that the proposed condominium conversion use is consistent with the city's objectives to promote the re-use of vacant structures and provide additional housing opportunities within the Central City. The use does not change with the condominium conversion process and provides viable housing stock for the area.

Section 3. The City Council approves the Project Tentative Map and Special Permit subject to the following conditions of approval:

- A. The **Tentative Map** to designate one parcel for condominium purposes is hereby approved subject to the following Conditions of Approval:

NOTE: These conditions shall supersede any contradictory information shown on the Tentative Map approved for this project (P07-065). The design of any improvement not covered by these conditions shall be to City standard.

The applicant shall satisfy each of the following conditions prior to filing the Parcel Map unless a different time for compliance is specifically stated in these conditions. Any condition requiring an improvement that has already been designed and secured under a City Approved improvement agreement may be considered satisfied at the discretion of the Development Engineering Division.

GENERAL: All Projects

- A1. Pay off existing assessments, or file the necessary segregation requests and fees to segregate existing assessments;
- A2. Show all continuing and proposed/required easements on the Parcel Map;
- A3. If unusual amounts of bone, stone, or artifacts are uncovered, work within 50 meters of the area will cease immediately and a qualified archaeologist shall be consulted to develop, if necessary, further mitigation measures to reduce any archaeological impact to a less than significant effect before construction resumes. A note shall be placed on the final improvement plans referencing this condition;

DEVELOPMENT ENGINEERING: Streets

- A4. Construct standard subdivision improvements as noted in these conditions pursuant to section 16.48.110 of the City Code. All improvements shall be designed and constructed to the satisfaction of the Development Engineering Division. Improvements required shall be determined by the city. Any public improvement not specifically noted in these conditions or on the Tentative Map shall be designed and constructed to City standards. This shall include street lighting and the repair or replacement/reconstruction of any existing deteriorated curb, gutter and sidewalk per City standards to the satisfaction of the Development Engineering Division;

- A5. The design and placement of walls, fences, signs and Landscaping near intersections and driveways shall allow stopping sight distance per Caltrans standards and comply with City Code Section 12.28.010 (25' sight triangle). Walls shall be set back 3' behind the sight line needed for stopping sight distance to allow sufficient room for pilasters. Landscaping in the area required for adequate stopping sight distance shall be limited 3.5' in height. The area of exclusion shall be determined by the Development Engineering Division;
- A6. Form a Homeowner's Association. CC&R's shall be approved by the City and recorded assuring maintenance of private drives. The Homeowner's Association shall maintain all private drives, lights, and common landscaping;

CITY UTILITIES

- A7. Only one metered domestic water service is allowed for the condominium units. Excess services shall be abandoned to the satisfaction of the Department of Utilities. Connections are only allowed to the existing 6" water main in the alley between D Street and E Street;
- A8. An ownership association shall be formed and C.C. & R's shall be approved by the City and recorded prior to the recordation of the final map. The onsite water, sewer and storm drain systems shall be private facilities maintained by the owners' association formed pursuant to the provisions of sections 1350 et seq. of the California Civil Code (the Davis-Stirling Common Interest Development Act). The C.C. & R's recorded for the project (as "governing documents" defined in Civil Code section 1351(j)), shall authorize and require the owners' association to maintain these facilities and to obtain and pay for water, sewer and storm drain service for the project (including the condominiums and all common areas) and on behalf of all condominium owners;
- A9. Prior to the recordation of the final map, any water, sanitary sewer or storm drainage services to the condominium project, the owner(s) and ownership association shall enter into a Utility Service Agreement with the City to receive such utility services at points of service designated by the Department of Utilities. Such agreement shall provide, among other requirements, for payment of all charges for the condominium project's water, sanitary sewer and storm drainage services, shall authorize discontinuance of utility services at the City's point(s) of service in the event that all or any portion of such charges are not paid when and as required, shall require compliance with all relevant utility billing and maintenance requirements of the City, the Association will sub-meter in the future if required to do so by any law or regulation, and shall be in a form approved by the City Attorney;

ADVISORY NOTES:

The following advisory notes are informational in nature and are not a requirement of this Tentative Map:

1. The proposed project is located in the Flood zone designated as a **Shaded X** zone on the Federal Emergency Management Agency (FEMA) Federal Insurance Rate Maps (FIRMs) that have been revised by a Letter of Map Revision effective February 18, 2005. Within the **Shaded X** zone, there are no requirements to elevate or flood proof;
- B. The **Special Permit** for condominium conversion to convert a vacant fourplex apartment into four condominium units within a structure listed on the Sacramento Register as a Contributing Resource is hereby approved subject to the following Conditions of Approval:

GENERAL

- B1. The applicant shall obtain all necessary building and/or encroachment permits prior to commencing construction.
- B2. The applicant shall comply with the conditions of approval contained in the Preservation approval (PB07-059).
- B3. The applicant shall record the final map and sell at least one unit in order to activate the Special Permit within three years of final approval or submit a time extension application pursuant to the section of 17.212.100.

UTILITIES

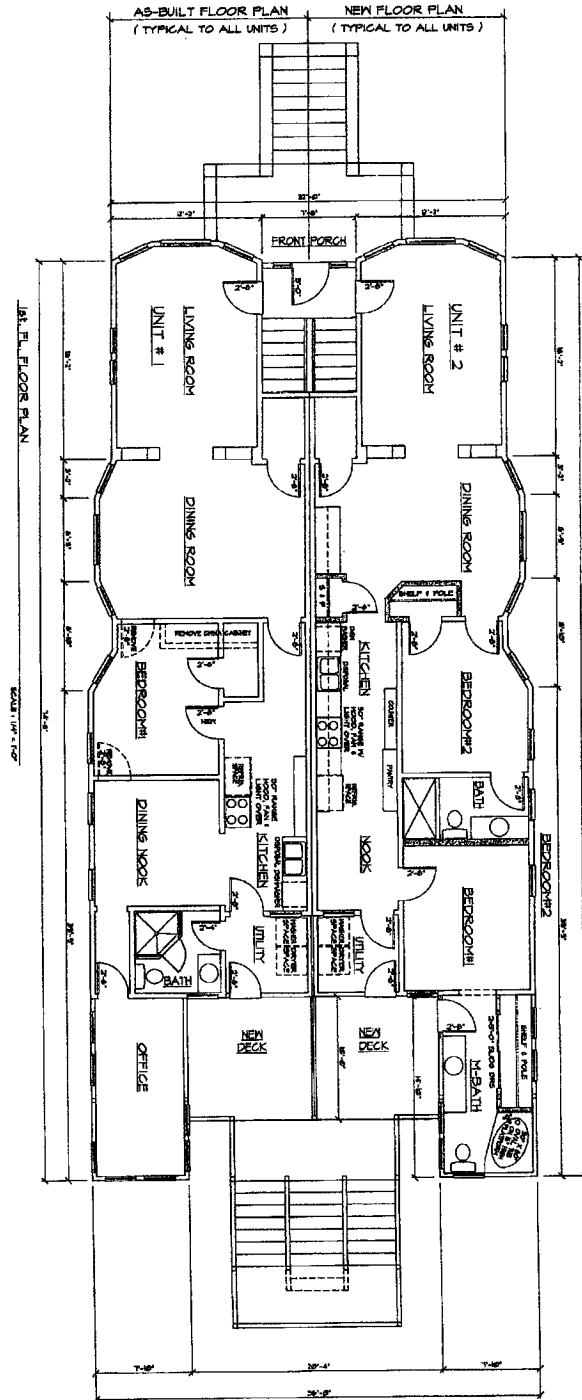
- B4. An ownership association shall be formed and C.C. & R's shall be approved by the City and recorded prior to the recordation of the final map. The onsite water, sewer and storm drain systems shall be private facilities maintained by the owners' association formed pursuant to the provisions of sections 1350 et seq. of the California Civil Code (the Davis-Stirling Common Interest Development Act). The C.C. & R's recorded for the project (as "governing documents" defined in Civil Code section 1351(j)), shall authorize and require the owners' association to maintain these facilities and to obtain and pay for water, sewer and storm drain service for the project (including the condominiums and all common areas) and on behalf of all condominium owners.
- B5. Prior to the recordation of the final map, any water, sanitary sewer or storm drainage services to the condominium project, the owner(s) and ownership association shall enter into a Utility Service Agreement with the City to receive such utility services at points of service designated by the Department of Utilities. Such agreement shall provide, among other requirements, for payment of all

charges for the condominium project's water, sanitary sewer and storm drainage services, shall authorize discontinuance of utility services at the City's point(s) of service in the event that all or any portion of such charges are not paid when and as required, shall require compliance with all relevant utility billing and maintenance requirements of the City, the Association will sub-meter in the future if required to do so by any law or regulation, and shall be in a form approved by the City Attorney.

ADVISORY NOTES for the Special Permit

1. The garage entrance must have its own light source and remain on from dusk till dawn.
2. All residential buildings shall display a street number in a prominent location on the street side in such a position that the number is easily visible to approaching emergency vehicles. The numerals shall be no less than four (4) inches in height and shall be of a contrasting color to the background to which they are attached. The numerals shall be illuminated at night.
3. The proposed project is located in the Flood zone designated as a Shaded X zone on the Federal Emergency Management Agency (FEMA) Federal Insurance Rate Maps (FIRMs) that have been revised by a Letter of Map Revision effective February 18, 2005. Within the Shaded X zone, there are no requirements to elevate or flood proof.

Exhibit B Floor Plans



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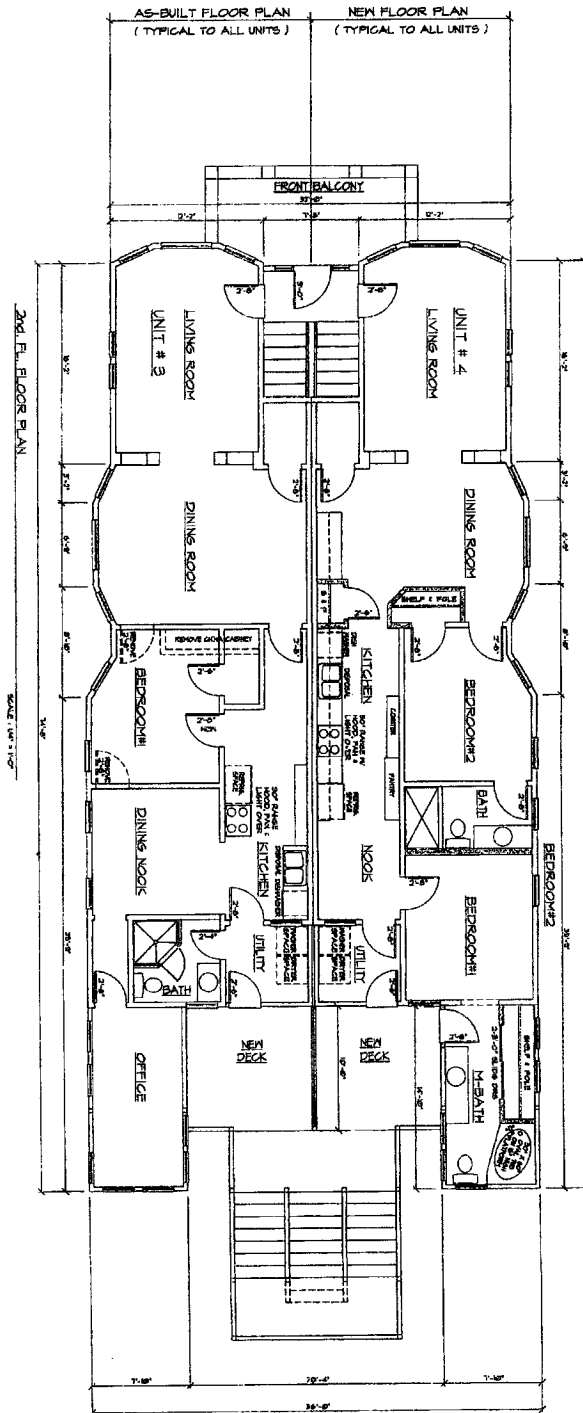
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BY	W.F. STADNER	1-07
CHKD BY	S.B. BORT	1-07
DATE	1-07	1-07
SCALE	AS SHOWN	
PROJECT	STAIRS	
NO.	10-111	

STEVEN WINKEL - OMNI CONTRACTORS
 1411 E STREET SACRAMENTO CA. 95814
AS-BUILT AND NEW 1st. FL. FLOOR PLAN

WS **WILLIAM F. STADNER, JR. ARCHITECT**
 STATE OF CALIFORNIA LICENSE NO. 50888
 2715 PARK BLVD. SUITE 200
 SACRAMENTO, CA 95833
 (916) 944-8844
 FAX (916) 944-8817



Exhibit B Floor Plans



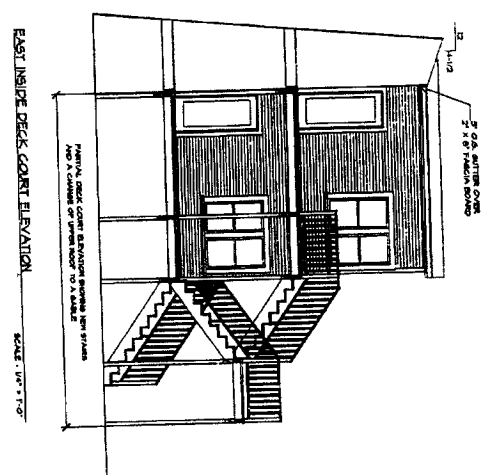
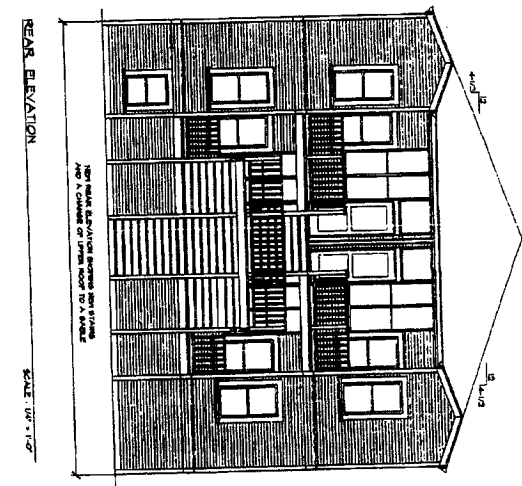
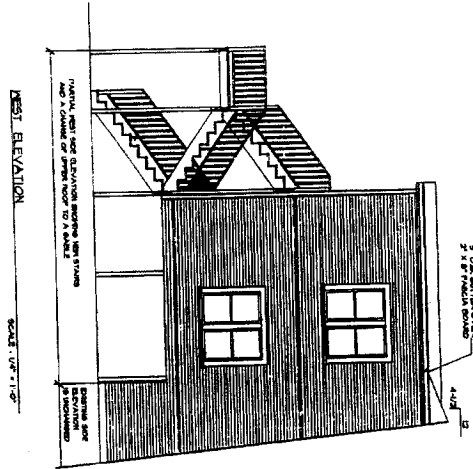
A-2a	STAINES
	ARCHITECT
	1/8" = 1'-0"
	DATE: 08-08-07

STEVEN WINKEL - OMNI CONTRACTORS
 1411 E STREET SACRAMENTO CA. 95814
AS-BUILT AND NEW 2nd. FL. FLOOR PLAN

WS WILLIAM F. STAINES, JR. ARCHITECT
 STATE OF CALIFORNIA LICENSE NO. 12568
 1714 FURN GARD BLVD. (916) 644-4844
 CARLETON, CA 95620 FAX (916) 644-8117



Exhibit C Elevations



A-5	DATE	APRIL 24, 2007
	SCALE	1/4" = 1'-0"

STEVEN WINKEL - OMNI CONTRACTORS
 1411 E STREET SACRAMENTO CA. 95814
**NEW REAR ELEVATION
 AND PARTIAL SIDE ELEVATIONS**

WS **WILLIAM F. STAMER, JR. ARCHITECT**
 774 FIVE HOLE BLVD
 CARPENTERS, CA 95626
 (916) 966-8888
 FAX (916) 966-9417

Exhibit D Front Elevation



**Attachment 6: Average Apartment Vacancy Rate of 2006
Reporting of vacancy data pursuant to ordinance 17.192.030 of the Sacramento
City Code.**

Community Plan Areas	Average Vacancy Rate	Multi-Family Rental Units Surveyed¹	Total Number of Multi-Family Units by Area²	Sample Size %³
Central City/ East Sacramento	9.6%	3,087	20,141	15.3%
South Natomas	5.9%	5,441	7,299	74.5%
Arden/Arcade	5.5%	1,925	2,913	66.1%
North Natomas	5.8%	2960	2,333	N/A ⁴
North Sacramento	5.2%	639	4,454	14.3%
Pocket/Land Park ⁵	7.1%	3,690	8,627	42.8%
South Area	8.2%	2,045	7,173	28.5%
East Broadway	6.3%	848	3,510	24.2%

Source: CB Richard Ellis, Inc. First Quarter through Fourth Quarter of the 2006 Multi-Family Housing Vacancy/Rental Survey.

Notes:

1. Based on units surveyed by CB Richard Ellis; does not represent all multi-family units in Community Plan Area.
2. Total Number of Multi-Family Units are those identified in the 2003 Population and Housing Report with additional 2004 & 2005 data from the City Permits Plus and SACOG data.
3. Sample Size represents the percentage of units sampled by CB Richard Ellis compared to the total apartment units in the Community Plan Areas.
4. The total number of units in the updated 2003 Population and Housing Report (which has supplemental 2005 data) for North Natomas area is less than total number of units sampled. The lower City multi-family unit total stems from recent construction in 2006, which is not yet reflected in City records.
5. Pocket area includes neighboring Land Park area due to the limited number of units in the Land Park Community Plan Area.