



CITY COUNCIL AGENDA REPORT

MEETING DATE: MAY 1, 2007

ITEM NUMBER: _____

SUBJECT: REPORT ON INTERIM ORDINANCE 07-8 PLACING A MORATORIUM ON THE APPROVAL OF CONVERSIONS OF APARTMENTS TO RESIDENTIAL CONDOMINIUMS (COMMON INTEREST DEVELOPMENTS)

DATE: APRIL 19, 2007

FROM: DEVELOPMENT SERVICES DEPARTMENT/PLANNING DIVISION

PRESENTATION BY: KIMBERLY BRANDT, AICP, PRINCIPAL PLANNER

FOR FURTHER INFORMATION CONTACT: KIMBERLY BRANDT (714) 754-5604

RECOMMENDATION:

Receive and file; no action is required.

BACKGROUND:

On April 3, 2007, City Council adopted an urgency ordinance which established a moratorium on the approval of conversions of apartments to residential condominiums (common interest developments), on a 4-0 vote. The initial timeframe for the urgency ordinance is 45 days (which will end on May 17, 2007); the ordinance can be extended to a total time period of two years following additional notice and hearings. Government Code Section 65858 also requires the City to file a report which documents the progress being made to address the issue which resulted in the moratorium. The report must be completed at least 10 days prior to the hearing to extend the urgency ordinance beyond the initial 45 days.

This report fulfills the state law requirements cited above. Council will hold a public hearing on the possible time extension of the moratorium on May 15, 2007.

ANALYSIS:

Since Council's action on April 3, 2007, staff has inventoried recent conversions in the City and surveyed surrounding cities.

Recent Costa Mesa Approvals

As shown in Attachment 1, since 2002, the City has approved 22 residential common interest development conversions. Staff is currently in the process of determining the current status of each approved project as well as a statistical comparison of the projects. This information will be made available to Council as part of the Zoning Code amendment process.

Survey of Other Cities' Regulations

Staff reviewed conversion standards of our surrounding cities, as well as two selected cities outside of Orange County which have most recently updated their Zoning Code provisions in respect to their residential condominium conversion standards. Attachment 2 contains a matrix comparing various standards for conversions. All of the cities require that current onsite parking requirement be met in conjunction with the conversion approval; 4 out of the 5 include a "parking waiver" procedure if the parking requirements are not met. The approval of any parking waiver is based on overriding considerations in respect to the project.

It is interesting to note that Newport Beach has adopted 5% as its critical vacancy rate (compared to Costa Mesa's critical vacancy rate of 3%) and Beverly Hills has set a limit on the number of apartment units that can be converted to condominiums in one year.

ALTERNATIVES CONSIDERED:

This is a progress report on the residential condominium conversion moratorium; no action is required by Council at this time. Staff will provide Council with alternative actions in conjunction with the consideration of the time extension of the moratorium scheduled for May 15, 2007.

FISCAL REVIEW:

This progress report does not require any fiscal review.

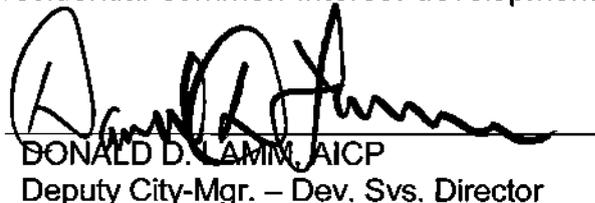
LEGAL REVIEW:

This progress report does not require any legal review.

CONCLUSION:

Staff has completed initial research on the zoning regulations for residential common interest development conversions and is in the process of drafting additional regulations. A joint study session will be scheduled to further discuss both Planning Commission and City Council concerns with residential common interest development conversions.


KIMBERLY BRANDT, AICP
Principal Planner


DONALD D. LAMM, AICP
Deputy City-Mgr. – Dev. Svs. Director

DISTRIBUTION: City Manager
Asst. City Manager
City Attorney
Deputy City Manager – Dev. Svs. Dir.
Public Services Director
City Clerk (2)
Staff (4)
File (2)

- ATTACHMENTS: 1 Residential Condominium Conversions
Applications
2 Survey of Other Cities' Regulations

File Name: 050107ResCondoMoratorium	Date: 041807	Time: 2:00 p.m.
-------------------------------------	--------------	-----------------

ATTACHMENT 1

RESIDENTIAL CONDO CONVERSION REQUESTS

Activities / Projects / Developments

13:29 04/17/2007

Number	Address or Location	Entered	Status	Type	Sub Type	Level	Type_Cat
PA-02-39	726 W WILSON ST CM	07/29/2002	EXPIRED	PA3	RCID	P	PLAN
PA-04-18	151 ALBERT PL CM	04/23/2004	APPROVE D	PA4	RCID	P	PLAN
PA-04-36	726 W WILSON ST CM	09/16/2004	APPROVE D	PA4	RCID	P	PLAN
PA-04-44	535 BERNARD ST CM	10/20/2004	APPROVE D	PA4	RCID	P	PLAN
PA-05-25	297 OGLE ST CM	06/22/2005	APPROVE D	PA5	RCID	P	PLAN
PA-05-38	2690 ORANGE AV CM	09/08/2005	APPROVE D	PA5	RCID	P	PLAN
PA-05-43	2233 FAIRVIEW RD CM	10/03/2005	APPROVE D	PA5	RCID	P	PLAN
PA-05-54	1940 MAPLE AV CM	11/10/2005	APPROVE D	PA5	RCID	P	PLAN
PA-05-57	1773 ANAHEIM AV CM	11/18/2005	PAID	PA5	RCID	P	PLAN
PA-05-60	191 ALBERT PL CM	12/30/2005	APPROVE D	PA5	RCID	P	PLAN
PA-06-04	199 MESA DR CM	01/19/2006	APPROVE D	PA5	RCID	P	PLAN
PA-06-15	322 OGLE ST CM	03/03/2006	APPROVE D	PA5	RCID	P	PLAN
PA-06-20	165 E WILSON ST CM	04/10/2006	APPROVE D	PA6	RCID	P	PLAN
PA-06-21	134 E WILSON ST CM	04/14/2006	APPROVE D	PA6	RCID	P	PLAN
PA-06-29	2379 ELDEN AV CM	05/10/2006	APPROVE D	PA6	RCID	P	PLAN
PA-06-40	2043 CHARLE DR CM	06/19/2006	APPROVE D	PA6	RCID	P	PLAN
PA-06-43	3005 COOLIDGE AV CM	06/30/2006	APPROVE D	PA6	RCID	P	PLAN
PA-06-45	550 A BERNARD ST CM	07/10/2006	APPROVE D	PA6	RCID	P	PLAN
PA-06-48	1798 POMONA AV CM	07/25/2006	APPROVE D	PA6	RCID	P	PLAN
PA-06-49	277 OGLE ST CM	07/25/2006	APPROVE D	PA6	RCID	P	PLAN
PA-06-50	685 W 18TH ST CM	07/25/2006	APPROVE D	PA6	RCID	P	PLAN
PA-06-51	2536 ORANGE AV CM	07/25/2006	APPROVE D	PA6	RCID	P	PLAN
PA-06-55	2550 ELDEN AV CM	08/24/2006	APPROVE D	PA6	RCID	P	PLAN
PA-06-58	780 HAMILTON ST CM	09/14/2006	APPROVE D	PA6	RCID	P	PLAN
PA-06-59	1843 POMONA AV CM	09/26/2006	PAID	PA6	RCID	P	PLAN
PA-06-61	115 DEL MAR AV CM	10/03/2006	PAID	PA6	RCID	P	PLAN
PA-06-70	1971 CHARLE ST CM	11/16/2006	PAID	PA6	RCID	P	PLAN
PA-06-70	534 BERNARD ST CM	11/16/2006	PAID	PA6	RCID	P	PLAN
PA-06-77	577 VICTORIA ST CM	12/22/2006	VOID	PA6	RCID	P	PLAN
PA-06-78	579 VICTORIA ST CM	12/22/2006	APPLIED	PA6	RCID	P	PLAN
PA-06-78	577 VICTORIA ST CM	12/22/2006	APPLIED	PA6	RCID	P	PLAN
PA-06-79	309 MONTE VISTA AV CM	12/27/2006	APPLIED	PA6	RCID	P	PLAN
PA-07-03	173 BROADWAY CM	02/20/2007	PAID	PA6	RCID	P	PLAN
PA-07-04	679 W 18TH ST CM	02/20/2007	APPEALED	PA6	RCID	P	PLAN
PA-07-07	2078 THURIN ST CM	03/26/2007	APPLIED	PA7	RCID	P	PLAN
PA-07-08	177 CECIL PL CM	03/26/2007	APPLIED	PA7	RCID	P	PLAN
PA-07-09	310 VICTORIA ST CM	03/26/2007	APPLIED	PA7	RCID	P	PLAN
PA-07-10	3028 COOLIDGE AV CM	04/04/2007	APPLIED	PA7	RCID	P	PLAN

Total Rows: 38

ATTACHMENT 2

RESIDENTIAL CONDOMINIUM CONVERSION STANDARDS COMPARISON									
CITY	ORD. DATE	CRITICAL VACANCY RATE	PARKING COMPLIANCE W/ CURRENT CODE STANDARDS	PARKING WAIVER PROCEDURE (W/O A VARIANCE)	ZONING COMPLIANCE WITH ALL CURRENT CODES	SPECIFIC COMPLIANCE REQUIREMENTS WITH IDENTIFIED BUILDING AND SAFETY CODES	MINIMUM NUMBER OF UNITS REQUIRED IN PROJECT	MAXIMUM AGE OF STRUCTURES ALLOWED TO CONVERT	
NEWPORT BEACH	2001	Yes—5% or less	Yes	Yes	Yes	Yes	None- However if the vacancy rate is 5% or less, projects containing 15 or more units will be denied.	No	
HUNTINGTON BEACH	2004	No	Yes	No	No—only parking and landscaping	Yes	No	No	
LAGUNA BEACH	1980	No	Yes	Yes	No	Yes	No	No	
BEVERLY HILLS	2007	No; However, there is a limit regarding the # of units that can be converted each year.	Yes	Yes	Yes	Yes- property must be brought in compliance with all current codes with the exception of "character contributing buildings".	No	No	
SAN DIEGO	2006	No	Yes	Yes	No	Yes	No	No	