



PLANNING COMMISSION AGENDA REPORT

VI.3

MEETING DATE: JANUARY 28, 2008

ITEM NUMBER:

**SUBJECT: PLANNING APPLICATION PA-06-51 (TIME EXTENSION)
2536 ORANGE AVENUE**

DATE: JANUARY 17, 2008

FOR FURTHER INFORMATION CONTACT: MEL LEE, AICP SENIOR PLANNER (714) 754-5611

DESCRIPTION

The applicant is requesting an extension of time for conversion of an existing 1-story, 4-unit apartment complex into a common interest development (condominiums), which would allow the units to be sold independent of one another.

APPLICANT

The applicant is Barry Saywitz of the Saywitz Company, who is also the owner of the property.

RECOMMENDATION

Approve the extension by adoption of Planning Commission resolution, subject to conditions.

MEL LEE, AICP
Senior Planner

KIMBERLY BRANDT, AICP
Asst. Development Services Director

BACKGROUND

On December 11, 2006, Planning Commission, on a 4-0 vote (Commissioner Garlich absent) approved conversion of an existing one-story, four-unit apartment building into a common interest development (condominiums). The units were constructed in 1956.

The applicant was not able to proceed with the conversion within the year it was approved and is requesting an extension of time for the conversion (PA-05-51). The approval for Parcel Map PM-06-241, which was processed concurrently with the conversion, does not need to be extended (parcel map approvals are valid for two years).

ANALYSIS

Code Section 13-29(k)(2) allows the Commission to approve successive one-year time extensions upon showing good cause by the applicant. Since the approval of the conversion, City Council adopted new requirements for common interest development conversions. A comparison of the approved conversion versus the new requirements per Code Section 13-42 are summarized in the table below:

Item	New Requirement	Provided	Complies?
On-Site Parking	10 Spaces	10 Spaces	Yes
Open Space	30%	41%	Yes
Tenant Notification	N/A	Yes	Yes
Structural Report	Yes	No	No (1)
Pest Report	Yes	No	No (1)
Paint Report	Yes	No	No (1)
Mold Report	Yes	No	No (1)
Mechanical Equipment Report	Yes	No	No (1)
Electrical Report	Yes	No	No (1)
Plumbing Report	Yes	No	No (1)
Roof Report	Yes	No	No (1)
Asbestos Report	Yes	No	No (1)

(1) Condition of approval if extension is granted.

ALTERNATIVES

The units could continue to be used as rental units without the site upgrades, if the extension is denied.

CONCLUSION

The extension, if approved, would allow the previously approved conversion of the units to proceed. Additionally, the conversion is required to comply with the newly adopted conversion standards. Therefore, staff supports the extension.

Attachments: Request for Time Extension
Draft Planning Commission Resolution
Exhibit "A" - Draft Findings
Exhibit "B" - Draft Conditions of Approval
New Conversion Standards (For Reference Only)
Minutes of December 11, 2006 Planning Commission Meeting
Original Staff Report and Resolution¹
Zoning/Location Map
Plans

cc: Deputy City Manager - Dev. Svs. Director
Deputy City Attorney
City Engineer
Fire Protection Analyst
Staff (4)
File (2)

The Saywitz Company
Attn: Barry Saywitz
4740 Von Karman Avenue, Suite 100
Newport Beach, CA 92660

Occupant
2536 Orange Avenue, Unit A
Costa Mesa, CA 92627

Occupant
2536 Orange Avenue, Unit B
Costa Mesa, CA 92627

Occupant
2536 Orange Avenue, Unit C
Costa Mesa, CA 92627

Occupant
2536 Orange Avenue, Unit D
Costa Mesa, CA 92627

File: 012808PA0651EXT	Date: 011708	Time: 11:30 a.m.
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¹ To reduce paper consumption, the tenant notices and inspection reports attached to the original staff report are not attached to this report.



THE SAYWITZ COMPANY

4740 VON KARMAN • SUITE 100 • NEWPORT BEACH, CA 92660 • 949-930-7500 • FAX 949-930-7555

November 21, 2007

RECEIVED
CITY OF COSTA MESA
DEVELOPMENT SERVICES DEPARTMENT

NOV 26 2007

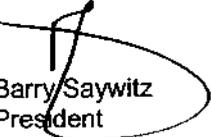
Mel Lee
City of Costa Mesa
P.O. Box 1200
Costa Mesa, CA 92628-1200

Re: Request for extension of condo conversion approval and permits:
2536 Orange Avenue, Costa Mesa

Dear Mel,

In follow-up to our conversation today, please accept this letter as a formal request for an extension of the condo conversion permit and approval for the above referenced property. The condo conversion approval of application PA-06-51 and parcel map PM-2006-241 were approved by the Planning Commission on December 11th, 2006. I would like to request an additional one year extension of these approvals. I have enclosed the \$400 fee for the extension. I will forward to you next week the mailing labels to be distributed for the neighbors for the hearing. Should you have any additional questions or require any additional information, please do not hesitate to contact me at (949) 930-7502.

Sincerely,


Barry Saywitz
President

RESOLUTION NO. PC-08-

**A RESOLUTION OF THE PLANNING COMMISSION OF THE
CITY OF COSTA MESA APPROVING AN EXTENSION OF
TIME FOR PLANNING APPLICATION PA-06-51**

THE PLANNING COMMISSION OF THE CITY OF COSTA MESA HEREBY RESOLVES AS FOLLOWS:

WHEREAS, an application was filed by Barry Saywitz, owner of the real property located at 2536 Orange Avenue, requesting approval of an extension of time for conversion of an existing 1-story, 4-unit apartment complex into a common interest development (condominiums), which would allow the units to be sold independent of one another, in an R2-MD zone; and

WHEREAS, a duly noticed public hearing was held by the Planning Commission on January 28, 2008.

BE IT RESOLVED that, based on the evidence in the record and the findings contained in Exhibit "A", and subject to the conditions contained in Exhibit "B", the Planning Commission hereby **APPROVES** an extension of time for Planning Application PA-06-51 to **December 11, 2008** with respect to the property described above.

BE IT FURTHER RESOLVED that the Costa Mesa Planning Commission does hereby find and determine that adoption of this Resolution is expressly predicated upon the activity as described in the staff report for Planning Application PA-06-51 and upon applicant's compliance with each and all of the conditions contained in Exhibit "B" as well as with compliance of all applicable federal, state, and local laws. Any approval granted by this resolution shall be subject to review, modification or revocation if there is a material change that occurs in the operation, or if the applicant fails to comply with any of the conditions of approval.

PASSED AND ADOPTED this 28th day of January, 2008.

Donn Hall, Chair
Costa Mesa Planning Commission

STATE OF CALIFORNIA)
)ss
COUNTY OF ORANGE)

I, Kimberly Brandt, secretary to the Planning Commission of the City of Costa Mesa, do hereby certify that the foregoing Resolution was passed and adopted at a meeting of the City of Costa Mesa Planning Commission held on January 28, 2008, by the following votes:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

ABSTAIN: COMMISSIONERS:

Secretary, Costa Mesa
Planning Commission

EXHIBIT "A"**FINDINGS**

- A. The information presented substantially complies with Costa Mesa Municipal Code Section 13-29(10) in that the proposed conversion project conforms to adopted General Plan policies. The establishment, maintenance, and operation of the project will not be detrimental to the health, safety, and general welfare of persons residing or in the surrounding neighborhood, nor will the project be detrimental or injurious to property and improvements in the neighborhood or the general welfare of the City. The overall design and physical condition of the proposed conversion project achieves a high standard of appearance, quality, and safety. The proposed conversion project conforms to the Costa Mesa Zoning Code requirements. The proposed conversion project, due to its proportion and scale, design elements, and relationship to the surrounding neighborhood, is of continued value to the community and it contributes to defining and improving the community as a whole.
- B. The information presented substantially complies with Costa Mesa Municipal Code Section 13-29(e) in that:
- a. The project is compatible and harmonious with existing development and uses in the general neighborhood.
 - b. Safety and compatibility of the design of buildings, parking areas, landscaping, luminaries and other site features, which includes functional aspect of the site development such as automobile and pedestrian circulation, have been considered.
 - c. The project is consistent with the General Plan.
 - d. The planning application is for a project-specific case and is not to be construed to be setting a precedent for future development.
 - e. The cumulative effect of all the planning applications has been considered.
- C. The project has been reviewed for compliance with the California Environmental Quality Act (CEQA), the CEQA Guidelines, and the City environmental procedures, and has been found to be exempt from CEQA as a Class 1 (Existing Facilities).
- D. The project is exempt from Chapter XII, Article 3, Transportation System Management, of Title 13 of the Costa Mesa Municipal Code.

EXHIBIT "B"

CONDITIONS OF APPROVAL

- | | | |
|--------------|----|--|
| Plng. | 1. | All applicable conditions of approval, code requirements, and special district requirements for PA-06-51 and PM-06-241 shall be complied with. |
| New
Cond. | 2. | Conversion shall comply with all requirements of Section 13-42 of the Costa Mesa Municipal Code relating to common interest development conversions. |

Sec. 13-42. RESIDENTIAL COMMON INTEREST DEVELOPMENT CONVERSIONS – ADDITIONAL STANDARDS

(a) Applicability. The provisions of this section shall apply to all conversions of occupied or previously occupied apartments to residential common interest developments proposed on a real property within the appropriately zoned districts. These provisions are in addition to those set forth in Section 13-41 RESIDENTIAL COMMON INTEREST DEVELOPMENTS STANDARDS AND REQUIREMENTS. To request a conversion, the applicant must provide evidence that the proposed project complies with the following requirement:

- (1) If new or recent construction, the apartment complex has received final building permit approvals from the City.

(b) City Council Findings.

- (1) The City Council finds and declares that that the conversion of existing apartment buildings into common interest development projects may diminish the supply of rental housing and displace residents unreasonably.
- (2) The City Council further finds to avoid the foregoing problems and to reduce the displacement of long-term residents, particularly senior citizens and low- and moderate-income families and families with school-age children, the City Council finds and declares it necessary and proper to regulate such conversions by the provisions herein for the health, safety, and welfare of the general public.
- (3) The City Council further finds it is the intent of these regulations to protect the interests of the community and prospective purchasers by requiring the applicant to provide certain information regarding the condition of the structure and to require reasonable improvements to ensure quality and to protect the health, safety, and general welfare of the public.
- (4) The City Council further finds that conversion of occupied or previously occupied residential apartments to condominiums (residential common interest developments) shall be prohibited from and after December 31, 2011, for any project which does not meet each and every development standard for common interest developments in place at the time of the proposed conversion, including but specifically not limited to, number of parking spaces, on-site open space, landscaping and setbacks.

(c) Reserved.

(d) Inspection fee. The applicant shall pay an inspection fee, established by the City Council, to determine compliance of the existing units with all appropriate building codes as noted in Section 13-42(f)(2).

(e) Documents required. The applicant shall submit the following documents in addition to those set forth in Section 13-41(c) RESIDENTIAL COMMON INTEREST DEVELOPMENTS. To the extent applicable, the following report requirements may be satisfied by submission of copies of similar reports filed with State agencies. The reports shall include information on what improvements, if any, shall be accomplished by the applicant and when such improvements shall be completed. All improvements cited in the reports, whether required or voluntary, shall be placed as conditions of approval in conjunction with the approval of the request to convert apartments to a common interest development and shall be completed prior to recordation of the subdivision map.

- (1) Tenant rights. Written proof of compliance with the requirements of applicable State statutes regarding the rights of existing tenants of the project.
- (2) Structural report. A detailed structural report by a California-registered structural or civil engineer identifying the following information:

Costa Mesa Zoning Code

- a. Date of original construction of all structures.
 - b. Any evidence of soils problems.
 - c. The condition of the building foundations, walls, ceilings, windows, doors, recreational facilities, parking facilities, and drainage facilities.
 - d. The condition of refuse disposal facilities; swimming pools, saunas/spas, fountains, fireplaces; and exterior lighting.
 - e. Compliance of all bedroom windows with the current California Building Code dimensions for emergency egress. Non-compliant windows shall be identified for replacement or other appropriate remediation.
 - f. Certification that all walls and floor/ceiling assemblies comply with current code requirements for sound transmission. Non-compliant walls and floor/ceiling assemblies shall be identified for replacement or other appropriate remediation.
 - g. Certification that the building's wood frames, sill plates, anchor bolts, connections, and foundation have been inspected and have a minimum life of 25 years and that all substandard elements have been identified for replacement or other appropriate remediation.
- (3) Pest report. A report by a California-licensed structural termite and pest control specialist certifying whether or not all attached or detached structures are free of infestation and structural damage caused by pests and/or dry rot. The report shall describe what procedures are necessary to eliminate infestation or damage, if present.
 - (4) Paint report. A report by a California-licensed painting contractor verifying the condition of the paint on all building interior and exterior surfaces. A statement that new paint will be applied on all building interior and exterior surfaces may take place of the paint report. The statement shall include the brand name of the paint and the exterior colors to be used. For exterior surfaces, a minimum of three colors should be applied.
 - (5) Mold report. A report by a California-licensed mold specialist certifying whether or not all attached or detached structures are free of mold. The report shall describe what procedures are necessary to eliminate mold, if present.
 - (6) Mechanical equipment report. A report by a California-registered mechanical engineer certifying that all appliances and mechanical equipment for heating and cooling comply with the current California Mechanical Code. The proper measures to remediate any noncompliant appliances and mechanical equipment shall be identified.
 - (7) Electrical report. A report by a California-registered electrical engineer certifying that all electrical systems comply with the California Electrical Code. The proper measures to remediate the noncompliant system components shall be identified.
 - (8) Plumbing report. A report by a California-licensed plumbing contractor certifying that all plumbing systems comply with the current California Plumbing Code. All above ground plumbing that does not comply with the current code shall be identified for replacement. Included in this report shall be plumbing systems associated with any swimming pool, sauna, spa, and/or fountain. A camera test of the sewer lateral shall also be conducted under the direction of the applicable sanitary district, and any substandard sewer laterals shall be identified for replacement by the sanitary district. Onsite sewer clean-outs shall be indicated for installation pursuant to the direction of the applicable sanitary district.

Costa Mesa Zoning Code

- (9) **Roof report.** A report by a California-licensed roofing contractor verifying that the roofs of all structures have an estimated remaining physical life of at least 25 years. A statement that new roof material will be applied may take place of the roof report. The statement shall include the specifications of the proposed roofing material.
 - (10) **Asbestos report.** A report by a California-licensed asbestos specialist indicating that the property does not pose any health hazards related to asbestos. The proper measures to remediate asbestos shall be identified, if necessary. This report is only required for buildings that were constructed prior to 1980.
- (f) Review procedures.** The following are processing requirements in addition to those set forth in CHAPTER III PLANNING APPLICATIONS.
- (1) Upon receipt of the application and all required documents, the Planning Division shall submit copies of applicable reports or documents to the Fire Department, Building Safety Division and other appropriate departments.
 - (2) The Development Services Director shall require an inspection of all buildings and structures in the existing development. An inspection report shall be prepared at or under his/her direction identifying all items found to be in violation of current code requirements for such buildings or structures, or found to be hazardous.
 - (3) The Fire Marshal may inspect the project to determine the sufficiency of fire protection systems serving the project and report on any deficiencies.
 - (4) The Planning Division may submit copies of such documents required in subsection (e) to other departments for their review and requirements.
 - (5) The Planning Division shall review the property report submitted by the applicant and may require its revision and resubmission if found inadequate in providing the required information.
 - (6) The Planning Division shall keep and maintain the copies of all required reports, as public records, for no less than 5 years, and shall send copies to the California Real Estate Commissioner as may be required by law.
 - (7) A final inspection report shall be made by the Building Official, upon request of the applicant, indicating the compliance with all the imposed requirements.
- (g) Approval criteria.**
- (1) The final review authority shall utilize the development standards and requirements of this article as criteria in the approval of the conversion as herein provided.
 - (2) No residential common interest development conversion shall be approved until all required documents have been submitted, reviewed and found to comply with the provisions of applicable State law and this Zoning Code.
 - (3) All dwelling units shall be required to comply with current requirements for energy insulation, sound transmission control and fire detection systems.
 - (4) The City Council may adopt general standards that may be applied to residential common interest development conversion applications on a case-by-case basis. The final review

Costa Mesa Zoning Code

authority may use these standards to impose conditions of approval on residential common interest development conversion applications to achieve the purpose of this article.

- (h) **Conversion Standards.** The project shall be brought into compliance with the following minimum construction standards, unless the Building Official approves an alternate method of construction. Prior to recordation of the subdivision map, applicable building permits shall be obtained, and all improvements shall be constructed, inspected, and receive final City approval for the required improvements in this section and for any health and safety code violations.
- (1) **Life Safety Standards.** The following improvements shall be provided in accordance with the provisions of the California Building Code or any successor statute or regulation, unless otherwise noted.
- a. Draft stops shall be installed in conformance with the current California Building Code.
 - b. Each unit shall have access to the electrical branch circuits that serve the unit, and each unit shall have a minimum a 100-amp service.
 - c. Smoke detectors shall be installed and operating. All existing hard-wired units shall be in working order and any additional smoke detectors that are required by code shall be installed.
 - d. Ground fault circuit interrupter protection shall be provided where required by the currently adopted electrical code.
 - e. Buildings that contain three or more stories or 16 or more dwelling units shall be provided with both a manual and an automatic fire alarm system in public areas.
 - f. Doors opening into public corridors shall conform to code requirements, including being self-closing and latching.
 - g. Interior doors opening into enclosed stairways shall be fire rated and self-closing and latching.
 - h. All public corridors shall have illuminated exit signs indicating the path of travel along the exit system and emergency backup power shall be provided for the exit signs.
 - i. Emergency backup power shall be provided for egress lighting in all public areas, including corridors, stairways, lobbies, attached parking garages and elevator cabs and shall provide a minimum illumination of one foot-candle at the floor level.
 - j. When applicable, a means of two-way communication shall be provided between all elevator cabs and the outside of the elevator.
 - k. Portable fire extinguishers shall be provided in accordance with the California Fire Code or any successor statute or regulation.
- (2) **Plumbing Requirements.** The following improvements shall be provided in accordance with the provisions of the California Plumbing Code or any successor statute or regulation.
- a. A temperature and pressure relief valve shall be provided for all water heaters.

Costa Mesa Zoning Code

- b. Water heaters shall be seismically braced with a minimum of two straps.
 - c. Water heaters shall be properly vented to the outside and shall be provided with sufficient combustion air.
 - d. Potable water shall have a backflow protection where necessary to prevent potential cross connection.
 - e. Dishwashers shall be connected to the drainage system through an approved air gap fitting.
- (3) Security Requirements. The following improvements shall be provided in accordance with the provisions of the California Building Code or any successor statute or regulation.
- a. Openings into individual dwelling units shall comply with the security provisions.
 - b. Doors will be equipped with appropriate deadbolt locks.
 - c. Required egress windows in sleeping rooms shall not be blocked by a security grill or grate, unless it has an approved release device.
- (4) Compliance with Zoning Code provisions. With the exception of density standards, the project shall comply with all requirements of this Zoning Code, including but not limited to building setbacks, distance between buildings, parking, open space, and landscaping requirements, unless any Zoning Code requirement is superceded by an adopted specific plan or urban plan. The final review authority may approve a deviation from a Zoning Code standard in conjunction with the review of the conversion request, in conformance with the findings in Section 13-29(g)(10) and provided that the following minimum standards are met.
- a. If existing onsite parking does not conform to current requirements, at a minimum 2.5 parking spaces for every 2 to 3 bedroom units, and 1.5 parking spaces for every studio and/or 1 bedroom unit shall be provided. Additionally, one covered space shall be assigned to each unit. In no circumstance shall approval of a conversion application result in fewer onsite parking spaces than the number of spaces that existed onsite prior to the application submittal.
 - b. If existing onsite open space does not conform to current requirements for the development lot, at a minimum 30% of the total lot area shall qualify as open space.
- (5) Refurbishing and Restorations. All main buildings, structures, walls, fences, patio enclosures, carports, accessory buildings, sidewalks, driveways, landscaped areas, and additional elements as required by the final review authority shall be refurbished and restored as appropriate for a high standard of appearance, quality, and safety. Specific improvements include:
- a. Installation of all remedial improvements identified in the reports submitted pursuant to by Section 13-42(e) Documents Required.
 - b. Installation of appropriate improvements that ensure acceptable sound transmission levels between units in each building and between units and parking facilities in conformance with the current California Building Code.

Costa Mesa Zoning Code

- c. Installation of insulation in all walls and ceilings that has a minimum value of R-13 for walls and R-30 for ceilings.
 - d. Replacement of all gas lines (both interior and exterior) that do not comply with current code and conduct appropriate pressure test.
 - e. Provision of individual washer/dryer hook-ups for each unit.
 - f. Installation of double-glazed, low-E windows and exterior doors.
 - g. Installation of new sinks, faucets, toilets, and tubs/showers. Low water flow plumbing fixtures are recommended.
 - h. Installation of new appliances. Energy-efficient appliances are recommended.
 - i. Install new stucco, paint, and flooring as needed.
 - j. Waterproofing all exterior landings, staircases, and balconies.
 - k. Installation of roof-top solar energy panels is encouraged.
- (6) **Condition of Equipment and Appliances.** The developer shall provide a one-year warranty to the buyer of each unit at the close of escrow on any appliance included in the unit as a condition of sale, including, but not limited to, dishwasher, garbage disposal, stove, oven, refrigerator, hot water tank, forced air unit, and air conditioner. At such time as the homeowners' association takes over management of the project, the developer shall provide written certification to the association that any improvements that are to be owned in common by the association, such as pools, spas, pool/spa equipment and any other appliances and mechanical equipment are in operable working condition. The developer shall also provide a one-year warranty on these appliances and mechanical equipment.
- (7) **Public Report.** Prior to the submittal of the recorded subdivision map with the State Department of Real Estate, the developer shall submit to the Planning Division a copy of the preliminary public report, which shall list all structural and site improvements that were made to the conversion project.
- (8) **Onsite Utilities.** The developer shall underground all onsite utilities. In addition, all onsite utilities, such as gas, electricity, and water, shall be separately metered for each unit. Common areas may also require separate utility meters pursuant to the utility agency requirements.

MOTION: Continue this item to the Planning Commission meeting of February 12, 2007.

Moved by Chairman Bill Perkins, seconded by Vice Chair Donn Hall.

The motion carried by the following roll call vote:

Ayes: Chairman Bill Perkins, Vice Chair Donn Hall, Commissioner Eleanor Egan, Commissioner James Fisler

Noes: None.

Absent: Commissioner Bruce Garlich

The Chair explained the appeal process.



6. Planning Application PA-06-51/Parcel Map PM-06-241, for The Saywitz Company, to allow common interest development conversion of four apartment units to condominiums with a parcel map to facilitate the conversion, located at 2536 Orange, in an R2-MD zone. Environmental determination: exempt. Approve by adoption of Planning Commission resolution, subject to conditions.

Senior Planner Mel Lee gave a presentation.

In response to a question from Vice Chair Hall about the apartments being under the moderate income threshold and Mr. Lee said yes.

Barry Saywitz, applicant, Newport Beach, agreed to the conditions, but wants to suggest language requiring, "property owner to pay for rental registration fee at tenant's request." The Chair said the property owner should offer this because the tenant is being displaced. Mr. Saywitz gave a presentation.

The Chair opened the public hearing for public comment, and no one wished to speak, so he closed the public hearing.

MOTION: Approve Planning Application PA-06-51/Parcel Map PM-06-241, by adoption of Planning Commission Resolution PC-06-94, based on evidence in the record and findings contained in Exhibit "A", subject to conditions in Exhibit "B" with the following additional condition:

Condition of Approval

12. The applicant shall be required to screen the trash bin or provide individual barrel pickup subject to Sanitary District approval.

Moved by Vice Chair Donn Hall, seconded by Chairman Bill Perkins.

During discussion on the motion, Commission Egan noted that Condition No. 12 is subject to Sanitary District approval.

The motion carried by the following roll call vote:

Ayes: Chairman Bill Perkins, Vice Chair Donn Hall, Commissioner Eleanor Egan, Commissioner James Fisler

Noes: None.

Absent: Commissioner Bruce Garlich

The Chair explained the appeal process.

7. Planning Application PA-06-65, for RREEF Management, authorized agent for SDCO Costa Mesa Commerce Park, Inc., for a conditional use permit to legalize a chiropractic office previously denied under PA-03-44, located at 3303 Harbor Boulevard, Suite F-5, in a PDI zone. Environmental determination: exempt. Deny by adoption of Planning Commission resolution.

Associate Planner Wendy Shih gave a presentation.

In response to a question from the Commission, Ms. Shih replied that the applicant operated without a conditional use permit for eight to nine months.

Dr. Kosta Adamou, applicant, Newport Beach, and part owner of Atlas Wellness Center, agreed to the conditions. He then gave a presentation.

In response to the Chair's question about the permit, Dr. Adamou discussed the permit history. Deputy City Attorney Duarte stated the conditional use permit runs with the land. Vice Chair Hall and Mr. Duarte also discussed the subject.

The Chair opened the public hearing for public comment, and no one wished to speak, so he closed the public hearing.

MOTION: Approve Planning Application PA-06-65, subject to conditions.

Moved by Vice Chair Donn Hall, seconded by Commissioner James Fisler.

During discussion on the motion, Vice Chair Hall made comments about conducting a small business in the City and asked staff about the FedEx business on Page 2 of the staff report. Chairman Perkins and Commissioner Egan stated that they did not support the motion.

Commissioner Egan said she does not support the project.

Vice Chair Hall made some comments.



PLANNING COMMISSION AGENDA REPORT

VI.6

MEETING DATE: DECEMBER 11, 2006

ITEM NUMBER:

SUBJECT: PLANNING APPLICATION PA-06-51 AND PARCEL MAP PM-06-241
2536 ORANGE AVENUE, UNITS A THRU D

DATE: NOVEMBER 30, 2006

FOR FURTHER INFORMATION CONTACT: MEL LEE, AICP SENIOR PLANNER (714) 754-5611

DESCRIPTION

The applicant is proposing to convert an existing 1-story, 4-unit apartment complex into a common interest development (condominiums).

APPLICANT

The applicant is Barry Saywitz of the Saywitz Company, who is also the owner of the property.

RECOMMENDATION

Approve by adoption of Planning Commission resolution, subject to conditions.

MEL LEE, AICP
Senior Planner

MICHAEL ROBINSON, AICP
Asst. Development Services Director

PLANNING APPLICATION SUMMARY

Location: 2536 Orange Avenue, Units A thru D Application: PA-06-51 & PM-06-241

Request: Convert 4 existing apartment units to a common interest development (condominiums).

Zone: R2-MD North: Surrounding properties
 General Plan: Medium Density Residential South: are zoned residential
 Lot Dimensions: 50 FT x 300 FT East: and contain
 Lot Area: 15,000 SF West: residential units.
 Existing Development: 1-story, 4-unit apartment complex

DEVELOPMENT STANDARD COMPARISON

<u>Development Standard</u>	<u>Required/Allowed</u>	<u>Proposed/Provided</u>
Lot Size:		
Lot Width	100 FT	50 FT (1)
Lot Area	12,000 SF	15,000 SF
Density:		
Zone/ General Plan	1 du/3,630 SF	1 du/3,750 SF
Building Coverage:		
Buildings	NA	4,420 SF (31%)
Paving	NA	4,320 SF (28%)
Open Space	6,000 SF (40%)	6,260 SF (41%)
TOTAL		15,000 SF (100%)
Building Height:		
Private Open Space	2 Stories/27 FT	1 Story/13 FT, 4 IN
	10 FT minimum dimension	11 FT
Setbacks		
Front	20 FT	25 FT
Side (left/right)	5 FT/5 FT	11 FT/12 FT
Rear	10 FT	25 FT, 4 IN
Rear Yard Lot Coverage	NA	NA
Parking:		
Covered	4	4
Open	10	6
TOTAL	14 Spaces	10 Spaces (1)
Driveway Width	25 FT	25 FT(2)

NA = Not Applicable or No Requirement

(1) The property is existing nonconforming.

(2) Shared Driveway

CEQA Status

Exempt, Class 1 (Existing Facilities)

Final Action

Planning Commission

BACKGROUND

The subject property contains a 4-unit, 1-story, apartment complex, constructed in 1956. The applicant proposes to convert all of the units to condominiums. Per Code Section 13-42(g), Planning Commission review is required when occupied apartments are proposed to be converted to a common interest development. The review is required to confirm compliance with applicable development standards and to consider potential impacts on the rental housing supply and displacement of tenants if the City's vacancy rate is below 3%.

ANALYSIS

Common Interest Development Conversion

Common interest developments must comply with additional development standards above those applicable to apartments. These additional development standards include minimum 10-foot by 10-foot private open space, having a break in the façade of at least 4 feet for every 2 dwelling units, and provision of on-site lighting. The existing development complies with these requirements.

As indicated earlier, the development was constructed in 1956. As a result, the development is legal nonconforming - whether as apartments or as condominiums - with regard to parking. The proposed conversion will not increase the project's degree of nonconformity.

The Zoning Code establishes a "critical vacancy rate" of 3% as the threshold for discouraging conversion of apartments to common interest developments, the idea being that conversions could diminish the supply of rental housing and displace residents unreasonably, particularly senior citizens and very low- and low-income families, as well as families with school age children. When the citywide rental vacancy rate is 3% or less, Planning Commission may deny any requested conversions. The 2000 census data indicates the City's rental vacancy rate is 2.8%.

The tenants are currently paying approximately \$1,550 a month in rent for the 2-bedroom units and \$1,750 to \$1,795 a month in rent for the 3-bedroom units. Current affordable rental rates are summarized in the table below:

	Very-Low Income	Low-Income	Moderate Income
2-Bedroom Units	\$881 a month	\$1,057 a month	\$1,300 a month
3-Bedroom Units	\$979 a month	\$1,175 a month	\$1,860 a month

Affordable Rental Rate Based Upon Fair Market Rent Established by US Dept. of Housing and Urban Development (HUD) for 2006 and 2007.

Conversion would result in a loss of affordable units as the residents for the 3-bedroom units are paying rent lower than the above affordable levels. However, staff supports the conversion because these units are not required to remain affordable and the tenants will be offered right of first refusal as discussed below. Conversion of the units

could result in the displacement of families with school age children. To mitigate the displacement of these residents, the owner will be required, as a condition of approval, to offer right of first refusal to the tenants, with terms more favorable than those offered to the general public. As conditioned, if the tenants confirm they are not interested in purchasing the units, the property owner will be required to pay the registration fee for an apartment referral service to assist displaced households in finding replacement housing.

As required by Code, a property inspection report and a termite report were submitted by the applicant, and a City property inspection was conducted by Building Safety staff. A copy of all three reports are attached for reference. Based on those reports, and to allow a general upgrading of the site, staff recommends the following improvements:

1. Improvements listed in the property report prepared by Stern Architects dated August 29, 2006. These requirements are required to be completed under the direction of the Planning staff.
2. Comply with all building, plumbing, and electrical, and mechanical corrections and upgrades listed in the March 22, 2006, memo prepared by the Building Safety Division.
3. Treat termite infestations and repair dryrot damage as recommended by a termite control company.
4. Provide architectural enhancements on all elevations (i.e., window trim, shutters, siding, stone base, belly band) under the direction of the Planning staff.
5. Decorative paving and upgraded landscaping where appropriate, subject to Planning Division approval.

Parcel Map

The applicant proposes a parcel map to allow division of the units so that each can be sold separately. The map is consistent with City Codes and the State subdivision Map Act.

GENERAL PLAN CONFORMITY

Approval of the conversion is consistent with the City's General Plan, particularly Goal LU-1A.4, which encourages additional home ownership opportunities in the City to improve the balance between rental and ownership housing within the City.

ALTERNATIVES

The units could continue to be rented, without the proposed upgrades, if the request is denied.

ENVIRONMENTAL DETERMINATION

The project is exempt from the provisions of the California Environmental Quality Act under Section 15301 for Existing Facilities.

CONCLUSION

Conversion of the apartment units will result in a general upgrading of the property, as well as providing additional home ownership opportunities within the area. Conversion of the units will not diminish affordable housing stock. Additionally, current tenants will be offered right of first refusal to purchase, or the property owner will pay registration fees for an apartment search service to help them find a new apartment if they decide not to purchase.

Attachments: Draft Planning Commission Resolution
 Exhibit "A" - Draft Findings
 Exhibit "B" - Draft Conditions of Approval
 Applicant's Project Description and Justification
 Inspection Reports
 Zoning/Location Map
 Plans
 Tenant Notices

cc: Deputy City Manager - Dev. Svs. Director
 Sr. Deputy City Attorney
 City Engineer
 Fire Protection Analyst
 Staff (4)
 File (2)

The Saywitz Company
Attn: Barry Saywitz
4740 Von Karman Avenue, Suite 100
Newport Beach, CA 92660

Occupant
2536 Orange Avenue, Unit A
Costa Mesa, CA 92627

Occupant
2536 Orange Avenue, Unit B
Costa Mesa, CA 92627

Occupant
2536 Orange Avenue, Unit C
Costa Mesa, CA 92627

Occupant
2536 Orange Avenue, Unit D
Costa Mesa, CA 92627

File: 121106PA0651PM06241

Date: 112806

Time: 8:50 a.m.

RESOLUTION NO. PC-06- 94

**A RESOLUTION OF THE PLANNING COMMISSION OF THE
CITY OF COSTA MESA APPROVING PLANNING
APPLICATION PA-06-51 AND PARCEL MAP PM-06-241**

THE PLANNING COMMISSION OF THE CITY OF COSTA MESA HEREBY
RESOLVES AS FOLLOWS:

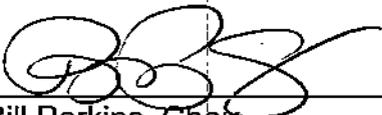
WHEREAS, an application was filed by Barry Saywitz, owner of the real property located at 2536 Orange Avenue, Units A through D, requesting approval to convert proposing to convert an existing 1-story, 4-unit apartment complex into a common interest development (condominiums), to allow the units to be sold independent of one another, in an R2-MD zone; and

WHEREAS, a duly noticed public hearing was held by the Planning Commission on December 11, 2006.

BE IT RESOLVED that, based on the evidence in the record and the findings contained in Exhibit "A", and subject to the conditions contained in Exhibit "B", the Planning Commission hereby **APPROVES** Planning Application PA-06-51 and PM-06-241 with respect to the property described above.

BE IT FURTHER RESOLVED that the Costa Mesa Planning Commission does hereby find and determine that adoption of this Resolution is expressly predicated upon the activity as described in the Staff Report for Planning Application PA-06-51 and PM-06-241 and upon applicant's compliance with each and all of the conditions contained in Exhibit "B". Any approval granted by this resolution shall be subject to review, modification or revocation if there is a material change that occurs in the operation, or if the applicant fails to comply with any of the conditions of approval.

PASSED AND ADOPTED this 11th day of December, 2006.

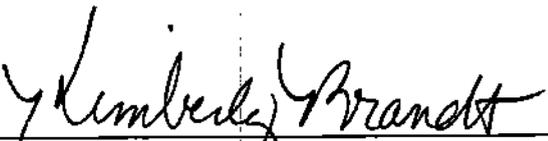


Bill Perkins, Chair
Costa Mesa Planning Commission

STATE OF CALIFORNIA)
)ss
COUNTY OF ORANGE)

I, Kimberly Brandt, acting secretary to the Planning Commission of the City of Costa Mesa, do hereby certify that the foregoing Resolution was passed and adopted at a meeting of the City of Costa Mesa Planning Commission held on December 11, 2006, by the following votes:

- AYES: COMMISSIONERS: PERKINS, HALL, EGAN, FISLER
- NOES: COMMISSIONERS: NONE
- ABSENT: COMMISSIONERS: GARLICH
- ABSTAIN: COMMISSIONERS: NONE



Acting Secretary, Costa Mesa
Planning Commission

EXHIBIT "A"

FINDINGS

- A. The information presented substantially complies with Costa Mesa Municipal Code Section 13-29(10) in that, although the critical vacancy rate is less than the rate established in Section 13-42(c) (Residential Common Interest Development Conversions), the condominium conversion will not diminish affordable housing stock within the City. Conversion of the apartments will result in a general upgrade of the property, as well as satisfying General Plan Goal LU-1A.4 of providing additional home ownership opportunities within the City. To ensure that existing tenants are not displaced unreasonably, tenants will be offered right of first refusal to purchase, or the property owner pay registration fees for an apartment search service to help them find a new apartment if they decide not to purchase.
- B. The information presented substantially complies with Costa Mesa Municipal Code Section 13-29(e) in that:
- The project is compatible and harmonious with existing development and uses in the general neighborhood.
 - Safety and compatibility of the design of buildings, parking areas, landscaping, luminaries and other site features, which includes functional aspect of the site development such as automobile and pedestrian circulation, have been considered.
 - The project is consistent with the General Plan.
 - The planning application is for a project-specific case and is not to be construed to be setting a precedent for future development.
 - The cumulative effect of all the planning applications has been considered.
- C. The proposed single lot airspace subdivision is consistent with the City's General Plan and Zoning Ordinances.
- D. Approval of the subdivision will allow additional home ownership opportunities without impacting affordable rental housing. This is consistent with the objectives, policies, general land use, and programs specified in the General Plan.
- E. The subject property is physically suitable to accommodate PM-06-241 in terms of type, design and density of development, and will not result in substantial environmental damage nor public health problems, based on compliance with the City's Zoning Code and General Plan.
- F. The design of the subdivision provides, to the extent feasible, for future passive or natural heating and cooling opportunities in the subdivision, as required by Government Code Section 66473.1.
- G. The subdivision and development of the property will not unreasonably interfere with the free and complete exercise of the public entry and/or public utility rights-of-way and/or easements within the tract.
- H. The discharge of sewage from this subdivision into the public sewer system will not violate the requirements of the California Regional Water Quality Control

Board pursuant to Division 7 (commencing with Section 13000 of the Water Code).

- I. The project has been reviewed for compliance with the California Environmental Quality Act (CEQA), the CEQA Guidelines, and the City environmental procedures, and has been found to be exempt from CEQA under Section 15301 (Existing Facilities).
- J. The project is exempt from Chapter XII, Article 3, Transportation System Management, of Title 13 of the Costa Mesa Municipal Code.

EXHIBIT "B"

CONDITIONS OF APPROVAL

- Plng. 1. The following improvements shall be made:
- a. All improvements listed in the property report prepared by Stern Architects dated August 29, 2006 shall be completed under the direction of the Planning staff.
 - b. Provide architectural enhancements on all elevations (i.e., window trim, shutters, siding, stone base, belly band) under the direction of the Planning staff.
 - c. Applicant shall treat termite infestations and repair dryrot damage as recommended by a termite control company prior to Planning Division final.
 - d. The applicant shall provide decorative paving and upgraded landscaping, where appropriate, subject to Planning Division approval.
2. The address of individual units shall be blueprinted on the site plan and on all floor plans in the working drawings.
 3. Street addresses shall be displayed on the complex identification sign or, if there is no complex identification sign, on the wall in a manner visible to the public street. Street address numerals shall be a minimum 6" in height with not less than 1/2" stroke and shall contrast sharply with the background. Identification of individual units shall be provided adjacent to the unit entrances. Letters or numerals shall be 4" in height with not less than 1/4" stroke and shall contrast sharply with the background.
 4. Applicant shall contact the Building Safety Division to provide proof that the Uniform Building Code requirements for condominiums have been satisfied, to obtain a change in occupancy permit, and to complete any additional items created through this conversion.
 5. The conditions of approval, code requirements, and special district requirements of Planning Application PA-06-51 and Parcel Map PM-06-241 shall be blueprinted on the face of the site plan in the working drawings.
 6. The applicant shall contact the Planning Division to arrange for an inspection of the site prior to the final Building Division inspections. This inspection is to confirm that the conditions of approval and code requirements have been satisfied.
 7. The applicant shall offer the existing tenants right of first refusal to purchase the units with terms more favorable than those offered to the general public. If the existing tenants confirm in writing that they are not interested in purchasing the units, the property owner will pay the registration fee for an apartment referral service. The applicant shall provide Planning Division staff a copy of the written offer and the tenant's written response to the offer prior to final inspections. The applicant shall also provide evidence of the payment of the registration fee for an apartment referral service for tenants not accepting the purchase offer.
 8. The CC&R's shall require that garage spaces be used for parking purposes only. Any changes made to this provision shall require prior

review and approval by the City of Costa Mesa.

9. The CC&R's shall disclose that the available parking on-site is short of the current condominium parking standards because of its existing nonconforming status.
10. Property owner shall provide cabinet enclosures over any meters visible from the street.
- Bldg. 11. Comply with all building, plumbing, electrical, and mechanical corrections listed in the March 22, 2006, Building Safety Division memo.
12. The applicant shall be required to screen the trash bin or provide individual barrel pickup subject to Sanitation District approval.

CODE REQUIREMENTS

The following list of federal, state and local laws applicable to the project has been compiled by staff for the applicant's reference. Any reference to "City" pertains to the City of Costa Mesa.

- Plng.
1. Approval of the planning action is valid for one (1) year and will expire at the end of that period unless building permits are obtained and construction commences, or the applicant applies for and is granted an extension of time. A written request for an extension of time must be received by Planning staff prior to the expiration of the planning action.
 2. Approval of the parcel map is valid for two (2) years. Within this time period, the map shall be recorded unless the applicant applies for and is granted an extension of time. A written request for an extension of time must be received by Planning staff prior to the expiration of the planning action.
 3. The parcel map shall be recorded prior to the sale of the individual units.
 4. All garages shall be provided with automatic garage door openers.
 5. CC&Rs and articles of incorporation and bylaws for the homeowners' association shall be reviewed and approved by both the Planning Division and the Department of Real Estate (DRE) prior to recordation. CC&Rs shall include provisions as required in Costa Mesa Municipal Code Section 13-41, as well as applicable conditions of approval and code requirements. The applicant shall provide the Planning Division proof of review and approval of the CC&Rs by the DRE prior to recordation. A copy of the recorded CC&Rs shall be submitted to the Planning Division prior to map recordation.
 6. Included in the required CC&Rs shall be a provision that will permit the installation of solar heating systems, subject to applicable zoning district requirements, the Uniform Building Code, and associated ordinances, and reasonable architectural review by the project's architectural review committee.
 7. The CC&Rs shall include a provision as to use and maintenance of all open parking spaces, driveways and common open space.
 8. On-site parking shall be in assigned spaces only. CC&R's shall contain restrictions prohibiting parking in the driveway and in front of garage doors.
 9. Installation of all utility meters shall be performed in a manner so as to obscure the installation from view from any place on or off the property. The installation vault, wall cabinet, or wall box under the direction of the Planning Division.
 10. Any mechanical equipment such as air-conditioning equipment and duct work shall be screened from view in a manner approved by the Planning Division.
 11. Two (2) sets of detailed landscape and irrigation plans, which meet the requirements set forth in Costa Mesa Municipal Code Sections 13-101 through 13-108, shall be required as part of the project plan check

review and approval process. Plans shall be forwarded to the Planning Division for final approval prior to issuance of building permits.

- 12. Two (2) sets of landscape and irrigation plans, approved by the Planning Division, shall be attached to two of the final building plan sets.
- 13. Landscaping and irrigation shall be installed in accordance with the approved plans prior to final inspection or occupancy clearance.
- 14. All contractors and subcontractors must have valid business licenses to do business in the City of Costa Mesa. Final inspections will not be granted until all such licenses have been obtained.
- Bldg. 15. Comply with the requirements of the California Code of Regulations, Title 24, also known as the California Building Standards Code, as amended by the City of Costa Mesa.
- Eng. 16. Two copies of the Final Map and Property Boundary closure calculations shall be submitted to the City of Costa Mesa Engineering Division for checking.
- 17. Submit seven copies and one duplicate mylar of recorded map or signed plan to Engineering Division, City of Costa Mesa, prior to occupancy.
- 18. Prior to recordation of a final map, the surveyor/engineer preparing the map shall tie the boundary of the map into the Horizontal Control System established by the County Surveyor and shall submit to the City Engineer and the County Surveyor a digital-graphic file of said map in a manner described in Subarticle 11/12, Sections 7-9-330/7-9-337 of the Orange County Subdivision Code.
- 19. Submit updated Title Report of subject property.
- 20. The Parcel Map shall be developed in full compliance of CMMC Sec. 13-208 through 13-261 inclusive.
- 21. Survey Monuments shall be preserved and referenced or set pursuant to Section 8771 of the Professional Land Surveyors Act and Business and Professional code.
- 22. Submit cash deposit or surety bond to guarantee monumentation prior to approval of the map. Amount to be determined by City Engineer.
- 23. Release and relinquish all vehicular and pedestrian access rights to Orange Avenue to the City of Costa Mesa except at approved locations.
- 24. Dedicate ingress-egress easement for emergency and public security vehicle purposes.
- Fire 25. Provide approved smoke detectors to be installed in accordance with the 2001 Edition of the Uniform Fire Code.

SPECIAL DISTRICT REQUIREMENTS

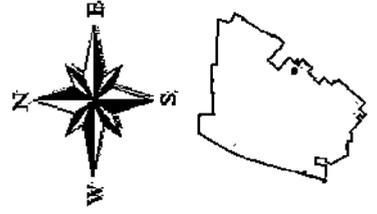
The requirement of the following special district is hereby forwarded to the applicant:

- Sani. 1. It is recommended that the developer contact the Costa Mesa Sanitary District at 949.645.8400 for current district requirements.

2536 ORANGE AVENUE

Legend

- Parcel Addresses
- Street Names
- Parcel Lines
- Ortho Photography
- Parcels

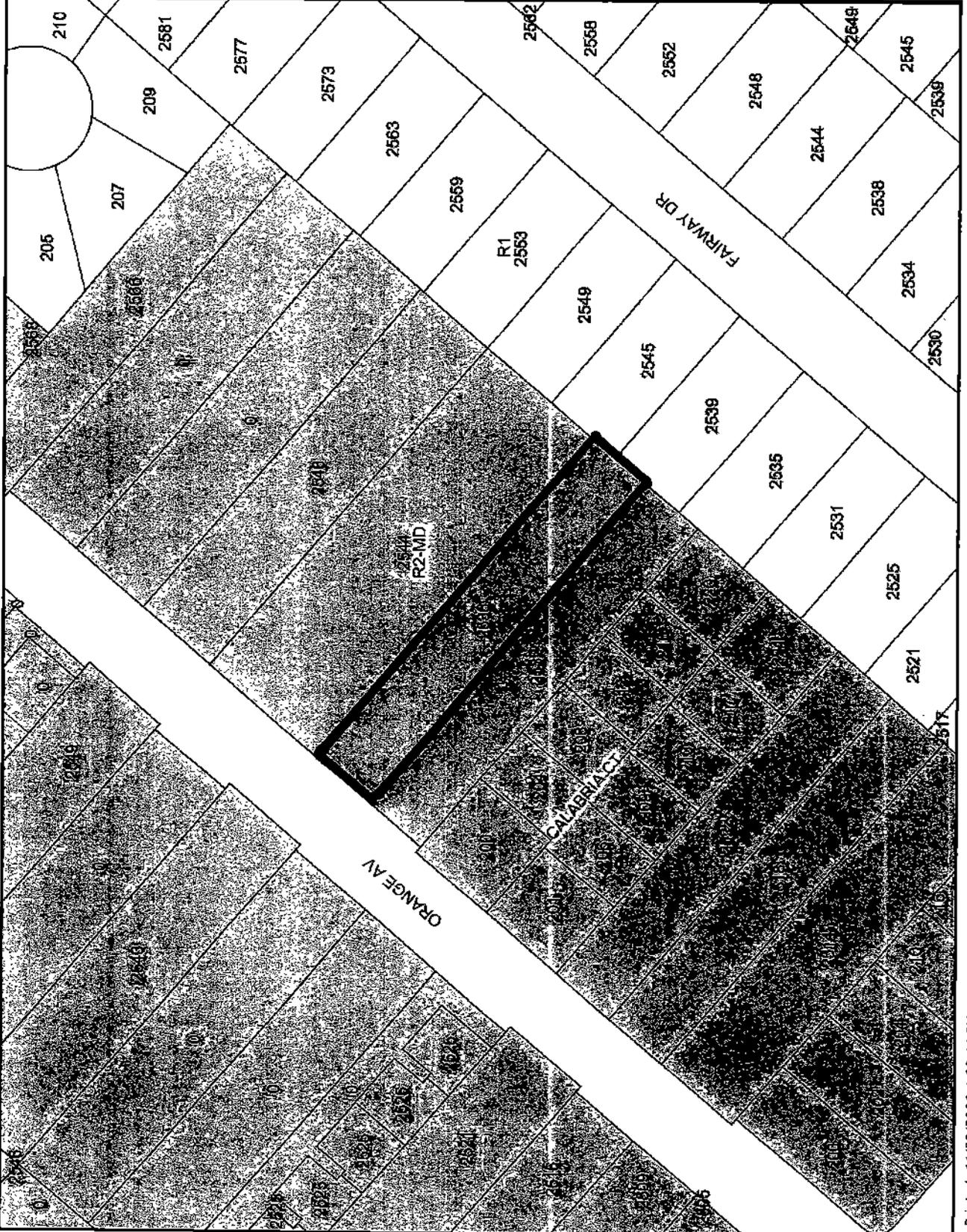
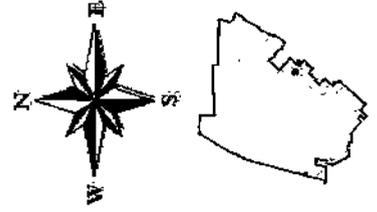


ZONING/LOCATION MAP

PA-06-51 AND PM-06-241

Legend

- Parcel Addresses
 - Street Names
 - Parcel Lines
 - Zoning
- | | | | | | | | | | | | | | | | | | | | | | |
|----|----|------|----|----|-----|-------|----|----|---|-----|-----|--------|--------|--------|---------|----|-------|-------|----|----|---------|
| AP | C1 | C1-S | C2 | CL | IAR | IAR-S | MG | MP | P | PDC | PDI | PDR-HD | PDR-LD | PDR-MD | PDR-HCM | R1 | R2-HD | R2-MD | R3 | TC | Parcels |
|----|----|------|----|----|-----|-------|----|----|---|-----|-----|--------|--------|--------|---------|----|-------|-------|----|----|---------|





**UNIVERSITY OF HAWAII
FOUR UNITS TO
CONDOMINIUMS**
JR.
SHEA CRANER
COSTA MESA, CA 92627

PROJECT DATA

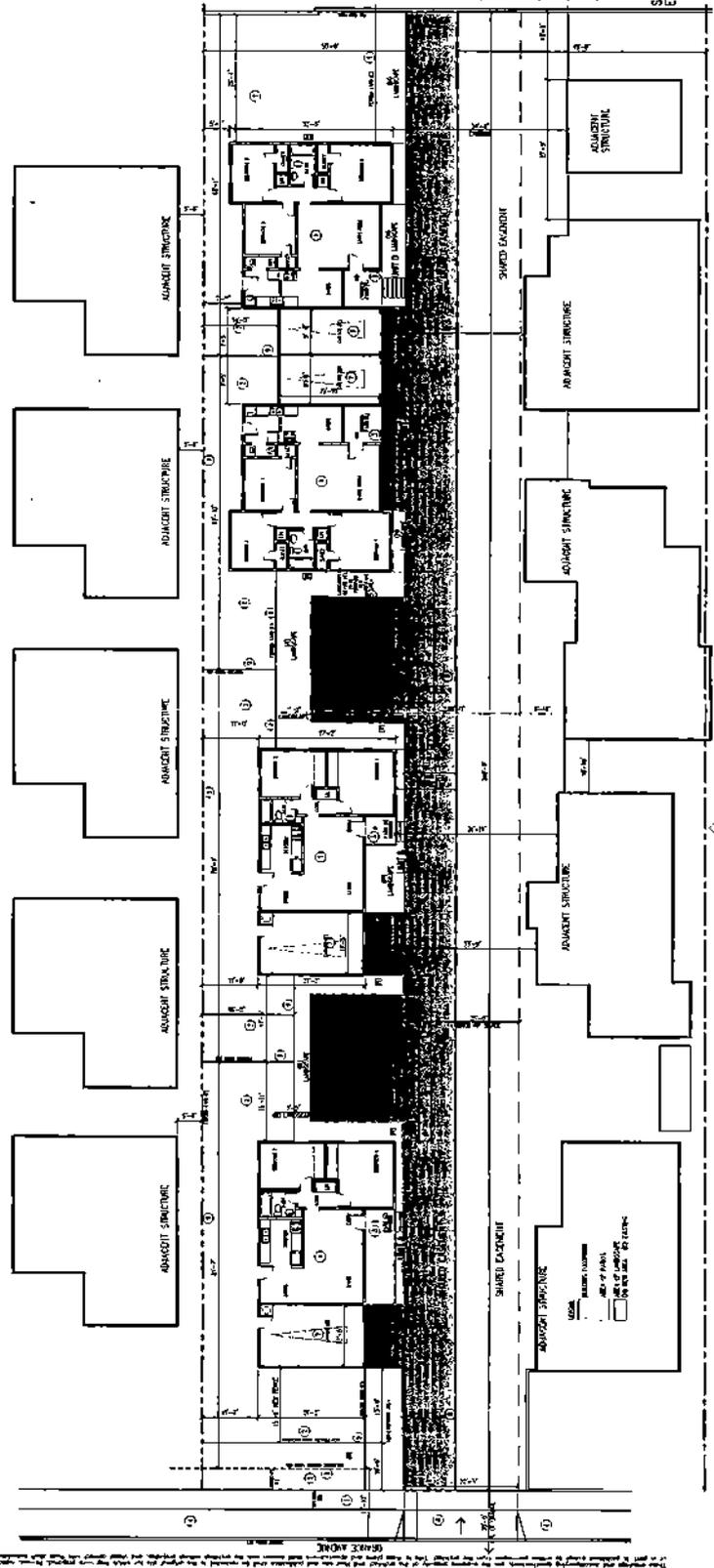
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PROJECT NO.: 00-0000
SHEET NO.: 1 OF 1
SCALE: AS SHOWN
DATE: 10/15/00
PROJECT NO.: 00-0000
SHEET NO.: 1 OF 1
SCALE: AS SHOWN

KEY NOTES

- 1. EXISTING STRUCTURE
- 2. EXISTING STRUCTURE
- 3. EXISTING STRUCTURE
- 4. EXISTING STRUCTURE
- 5. EXISTING STRUCTURE
- 6. EXISTING STRUCTURE
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- 20. EXISTING STRUCTURE



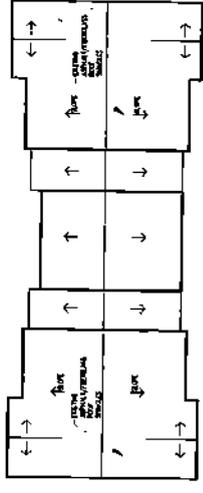
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SCALE: 1/8" = 1'-0"



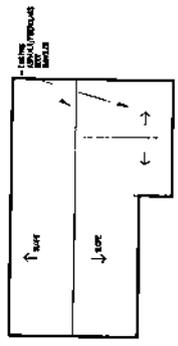
1 SITE PLAN
SCALE: 1" = 100'



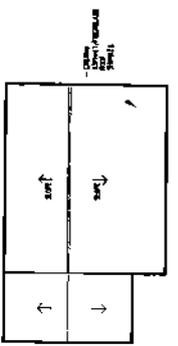
PROJECT #12
 CONDOMINIUMS OF INTEREST
 FOUR UNITS TO
 CONDOMINIUMS
 IN
 204 OLIVANS
 COSTA MESA, CA 92627



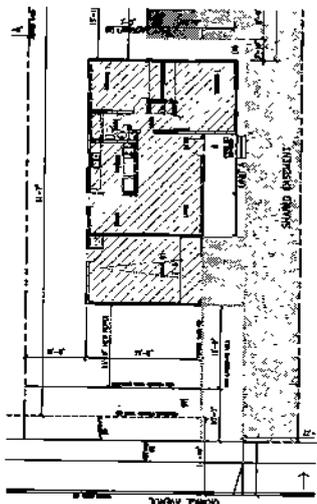
2 EXISTING ROOF PLAN UNIT 'C' AND 'D'
 SCALE: 1/8" = 1'-0"



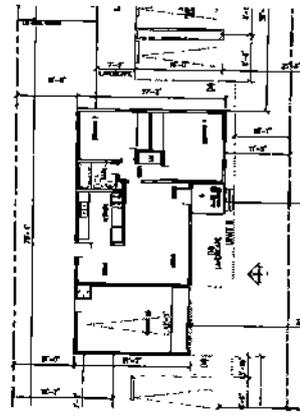
4 EXISTING ROOF PLAN UNIT 'B'
 SCALE: 1/8" = 1'-0"



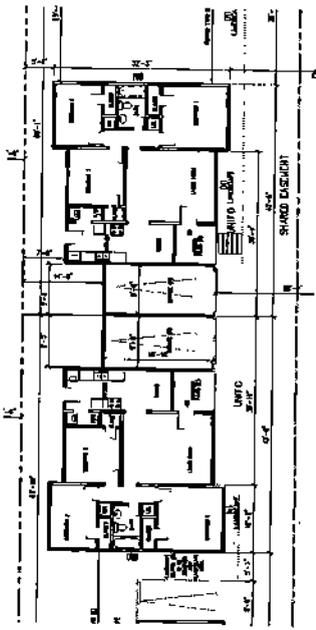
6 EXISTING ROOF PLAN UNIT 'A'
 SCALE: 1/8" = 1'-0"



5 FLOOR PLAN UNIT 'A'
 SCALE: 1/8" = 1'-0"



3 FLOOR PLAN UNIT 'B'
 SCALE: 1/8" = 1'-0"



1 FLOOR PLAN UNIT 'C' AND 'D'
 SCALE: 1/8" = 1'-0"

NO.	DATE	BY	CHKD.
1	10/10/00	AS	AS
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