Executive Summary

Condominium Conversion Subdivision

HEARING DATE: OCTOBER 10, 2013 CONSENT CALENDAR

 Date:
 October 3, 2013

 Case No.:
 2013.1174Q

Project Address: 1747 – 1757 LARKIN STREET

Zoning: RM-2 (Residential-Mixed, Moderate Density) District

65-A Height and Bulk District

Block/Lot: 0597/001

Project Sponsor: R. Boyd McSparran

Goldstein, Gellman, Melbostad, Harris & McSparran LLP

1388 Sutter Street, Suite 1000 San Francisco, CA 94109

Staff Contact: Kanishka Burns – (415) 575-9112

kanishka.burns@sfgov.org

Recommendation: Approval

PROJECT DESCRIPTION

The project proposes to convert a three-story mixed-use building, with five dwelling units and one commercial space at the ground floor, into five residential condominiums and one commercial condominium. No alterations to the building are proposed other than those that result from the Department of Building Inspection's Physical Inspection Report. The Subdivision Code requires that the Planning Commission hold a public hearing to review condominium conversion subdivisions containing five to six residential units for consistency with the General Plan.

Residential Unit Description

Unit No.	Square-Feet	No. of Bedrooms
1747	956	2
1749	1,019	2
1751	1,019	2
1753	1,158	3
1755	1,158	3

Rental History:

1650 Mission St. Suite 400 San Francisco, CA 94103-2479

Reception: 415.558.6378

Fax:

415.558.6409

Planning Information: 415.558.6377 Executive Summary Hearing Date: October 10, 2013

- Four of the five dwelling units are owner-occupied.
- There are no households with persons that are aged 62 or older or permanently disabled.

Five-Year Rental History

Unit #	Duration	Occupant	Rent	Reason for Leaving	Purchaser
1747	2/13 – present	Paris Hayes, Molly Hale, Aaron Strachan	\$4000	n/a	No
	12/12 – 2/13	Vacant	n/a	n/a	No
	10/07 – 12/12	Katherine Allen	Own	Voluntary	n/a
1749	10/07 – present	Kathleen Mitchell	Own	n/a	Yes
1751	10/07 – present	Julie & Nathan Channing	Own	n/a	Yes
1753	12/07 – present	Jenny Dedo & Gregory Efstratis	Own	n/a	Yes
1755	10/07 - present	Anna & James Tsiamis	Own	n/a	Yes

SITE DESCRIPTION AND PRESENT USE

The project site is located at 1747 - 1757 Larkin Street at the southwest corner of Larkin Street and Jackson Street on Assessor's Block 0597, Lot 001. The project site is located within a RM-2 (Residential, Mixed, Moderate Density) Zoning District, 65-A Height and Bulk District, and is approximately 2,500 square feet in size (approximately 40 feet wide by 63 feet deep). The three-story building is occupied by a real estate office (d.b.a. Golden Gate Real Estate) on the ground floor with five dwelling units on the upper floors. The building was constructed circa 1909 and occupies nearly the entire lot.

SURROUNDING PROPERTIES AND NEIGHBORHOOD

The project site is located in the Nob Hill neighborhood. The surrounding development consists mainly of two-, three-, and multi-unit buildings. The scale of development in the area consists of three- to four-story residential structures.

The property immediately adjacent to the west at 1515 Jackson Street is a three-story-over-basement building containing six residential units. The property immediately adjacent to the south at 1743 – 1739 Larkin Street is a three-story-over-basement building containing three residential units.

ENVIRONMENTAL REVIEW STATUS

The project is exempt from the California Environmental Quality Act ("CEQA") as a Class 1 categorical exemption.

CASE NO. 2013.1174Q 1747 - 1757 Larkin Street

Executive Summary
Hearing Date: October 10, 2013

HEARING NOTIFICATION REQUIREMENTS

TYPE	REQUIRED PERIOD	REQUIRED NOTICE DATE	ACTUAL NOTICE DATE	ACTUAL PERIOD
Posted Notice	10 days	September 30, 2013	September 30, 2013	10 days
Mailed Notice	10 days	September 30, 2013	September 30, 2013	10 days

PUBLIC COMMENT

 To date, the Department has not received any letters or phone calls in support of or in opposition to the project.

ISSUES AND OTHER CONSIDERATIONS

- The Subdivision Code requires that the Planning Commission hold a public hearing to review condominium conversion subdivisions containing five to six units, where at least one unit is residential, for consistency with the General Plan. Similar projects with four or fewer units are approved administratively. This provision requiring Planning Commission review for larger projects may be a residual of former rent control regulations.
- In the RM-2 Zoning District, a maximum of one dwelling unit per 600 square feet of lot area can be considered legal and conforming to the Planning Code. The remaining dwelling units must be considered legal, nonconforming dwelling units and will be subject to the limitations under Planning Code Section 181. The proposed project contains four legal, conforming dwelling units and one legal, nonconforming dwelling unit.

REQUIRED COMMISSION ACTION

The proposed project requires Planning Commission approval under Section 3.527 of the Charter and Sections 1332 and 1381 of the Subdivision Code to allow the condominium conversion subdivision of five to six residential unit buildings. Findings must be made that the proposal is consistent with the General Plan and the Subdivision Code.

BASIS FOR RECOMMENDATION

- The proposed project is consistent with the Housing Element of the General Plan in that the existing supply of housing will be maintained, the condominium subdivision application is subject to the restrictions of the Subdivision Code, and the subdivision will allow for home ownership opportunities for San Francisco residents.
- The eight priority planning policies set forth by City Planning Code Section 101.1 are met.
- The project meets the requirements for condominium conversions under the California State Map Act and the San Francisco Subdivision Code.

Executive Summary CASE NO. 2013.1174Q Hearing Date: October 10, 2013 1747 - 1757 Larkin Street

RECOMMENDATION: Approval

Attachments:

Block Book Map Sanborn Map Zoning Map Aerial Photograph Site Photograph

Exhibit Checklist

	Executive Summary		Project sponsor submittal
	Draft Motion		Drawings: Existing Conditions
	Environmental Determination		Check for legibility
	Zoning District Map		Drawings: Proposed Project
	Height & Bulk Map		Check for legibility
	Block Book Map		Health Dept. review of RF levels
	Sanborn Map		RF Report
	Aerial Photos		Community Meeting Notice
	Context Photo		Public Correspondence
	Site Photo		
]	Exhibits above marked with an "X" are inc	clude	d in this packet <u>KB</u>
			Planner's Initials

KB: G:\Documents\Condos\1747 - 1757 Larkin Street\1747 - 1757 Larkin Street Exec Summary.doc



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)	
☐ Affordable Housing (Sec. 415)	☐ First Source Hiring (Admin. Code)
☐ Jobs Housing Linkage Program (Sec. 413)	☐ Child Care Requirement (Sec. 414)
☐ Downtown Park Fee (Sec. 412)	□ Other

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Planning Commission Draft Motion

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ADOPTING FINDINGS RELATING TO THE REVIEW FOR CONSISTENCY WITH THE GENERAL PLAN TO ALLOW A CONDOMINIUM CONVERSION SUBDIVISION OF A THREE-STORY MIXED USE BUILDING WITH FIVE DWELLING UNITS AND ONE COMMERCIAL SPACE ON THE GROUND FLOOR INTO RESIDENTIAL CONDOMINIUMS AND ONE COMMERCIAL CONDOMINIUM WITHIN A RM-2 (RESIDENTIAL, MIXED, MODERATE DENSITY) ZONING DISTRICT AND A 65-A HEIGHT AND BULK DISTRICT.

PREAMBLE

On July 29, 2013, R. Boyd McSparran (hereinafter "Project Sponsor") filed an application with the Department of Public Works, Bureau of Street Use and Mapping for Planning Department review to allow the Condominium Conversion Subdivision of a three-story mixed-use building with five dwelling units and commercial space on the ground floor into five residential condominiums and one commercial condominium within a RM-2 (Residential, Mixed, Moderate Density) Zoning District and a 65-A Height and Bulk District. The subject building is considered a legal use as the Report of Residential Building Record indicates that the legal authorized occupancy and use is a five-unit dwelling and store.

On October 10, 2013, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Condominium Conversion Subdivision Application No. 2013.1174Q.

CASE NO. 2013.1174Q 1747 – 1757 Larkin Street

Section 1396, Article 9 of the Subdivision Code of the City and County of San Francisco sets forth the following rules and regulations for condominium conversions:

- A. Units may be converted to condominiums so long as they meet the requirements of the Expedited Conversion Program per the Subdivision Code. An exception is provided for two-unit buildings where both units are owner-occupied for one year.
- B. The following categories of buildings may be converted to condominiums:
 - Buildings consisting of four units or less in which at least one of the units has been occupied continuously by one of the owners of record for five years prior to the date of application for conversion.
 - ii. Buildings consisting of six units or less in which at least three of the units have been occupied continuously by three of the owners of record for five years prior to the date of application for conversion.

The Subdivision Code requires that the Planning Commission hold a public hearing to review condominium conversion subdivisions containing five to six units for consistency with the General Plan where at least one unit is residential. The Code calls for a sales program which promotes affirmative action in housing, a non-transferable tenant right of first-refusal to purchase the unit occupied by the tenant and various relocation requirements, including the right to a \$1,000 relocation payment.

The Subdivision Code further provides for a lifetime lease for all tenants aged 62 years or older and/or are permanently disabled, and requires that no less than 40 percent of the tenants either have signed Intent to Purchase forms or be in a position of accepting such a lifetime lease. The Code prohibits any increase in rents while the conversion application is pending before the City.

The Project is exempt from the California Environmental Quality Act ("CEQA") as a Class 1 categorical exemption.

The Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of the applicant, Department staff and other interested parties.

MOVED, that the Commission hereby approves the Condominium Conversion Subdivision requested in Application No. 2013.1174Q based on the following findings:

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. The above recitals are accurate and constitute findings of this Commission.

SAN FRANCISCO
PLANNING DEPARTMENT

Draft Motion CASE NO. 2013.1174Q Hearing Date: October 10, 2013 1747 – 1757 Larkin Street

2. The applicant requests Planning Department review of a Condominium Conversion Subdivision Application to allow for the conversion of the multi-unit building.

- 3. As required by Section 1396 of the San Francisco Subdivision Code, at least three of the units have been owner occupied continuously by one or more of the owners of record for five years prior to the date of application for conversion.
- 4. Tenants in the subject building were notified of their right-of-first refusal to purchase the unit they occupy, as required by the Subdivision Code, and of other rights to which they are entitled under provisions of the same Code.
- 5. A search of the Rent Board database did not show any tenant petitions or eviction notices filed with the Rent Board in the last 5 years.
- 6. On balance, the Project is consistent with the Objectives and Policies of the General Plan, as follows:

2009 HOUSING ELEMENT

Objectives and Policies

OBJECTIVE 3:

PROTECT THE AFFORDABILITY OF THE EXISTING HOUSING STOCK, ESPECIALLY RENTAL UNITS.

Policy 3.1:

Preserve rental units, especially rent controlled units, to meet the City's affordable housing needs.

This application was submitted through the Expedited Conversion Program, which sets owner-occupancy requirements for condominium conversions. Conversion of the subject property would allow for home ownership opportunities for San Francisco residents.

- 7. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project does comply with said policies in that:
 - A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

The proposal would have no adverse effect upon existing neighborhood-serving retail uses as it is a change in form of residential tenure. The existing commercial use at the ground floor would continue to be a neighborhood service use.

SAN FRANCISCO
PLANNING DEPARTMENT

CASE NO. 2013.1174Q 1747 – 1757 Larkin Street

B. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

The proposal is a change in form of residential tenure and would not alter the existing housing and neighborhood character of the vicinity. The existing commercial use at the ground floor would continue to operate, preserving the neighborhood character.

C. That the City's supply of affordable housing be preserved and enhanced,

No housing would be removed for this project.

D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

The proposal is a change in form of residential tenure and would not affect public transit or neighborhood parking. The existing commercial use at the ground floor would not further impact public transit or neighborhood parking.

E. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

The proposal is a change in form of residential tenure and would not involve the industrial or service sectors of the City. The ground floor commercial use would be maintained to provide future opportunities for resident employment.

F. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

The proposal is subject to inspection by the Department of Building Inspection and will be required to make any code required repairs, including those related to life safety issues, prior to the recordation of the final condominium subdivision map.

G. That landmarks and historic buildings be preserved.

The proposal is a change in form of residential tenure and would not affect landmarks or historic buildings.

H. That our parks and open space and their access to sunlight and vistas be protected from development.

The proposal is a change in form of residential tenure and would not affect public parks or open space.

CASE NO. 2013.1174Q 1747 – 1757 Larkin Street

8. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.

9. The Commission hereby finds that approval of the Condominium Conversion Subdivision would promote the health, safety and welfare of the City.

SAN FRANCISCO
PLANNING DEPARTMENT

CASE NO. 2013.1174Q 1747 – 1757 Larkin Street

DECISION

That based upon the Record, the submissions by the Applicant, Department staff and other interested parties, the oral testimony presented to this Commission at the public hearings and all other written materials submitted by all parties, the Commission hereby **APPROVES Condominium Conversion Subdivision Application No. 2013.1174Q**.

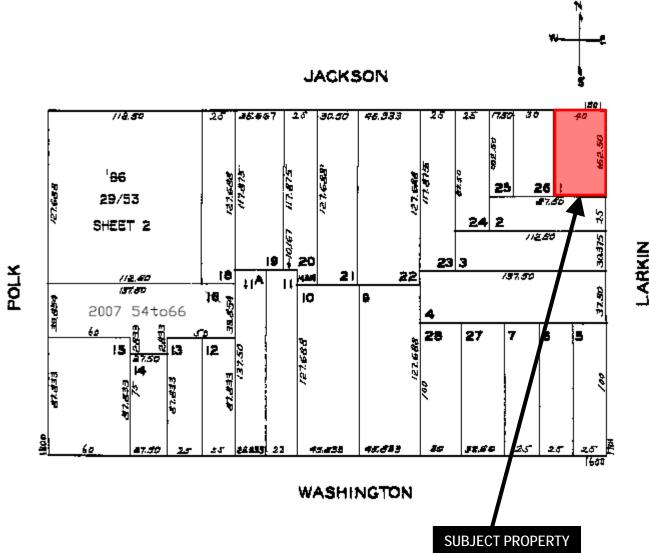
I hereby certify that the Planning Commission ADOPTED the foregoing Motion on October 10, 2013.

Jonas Ionin
Acting Commission Secretary

AYES:
NAYS:
ABSENT:

ADOPTED: October 10, 2013

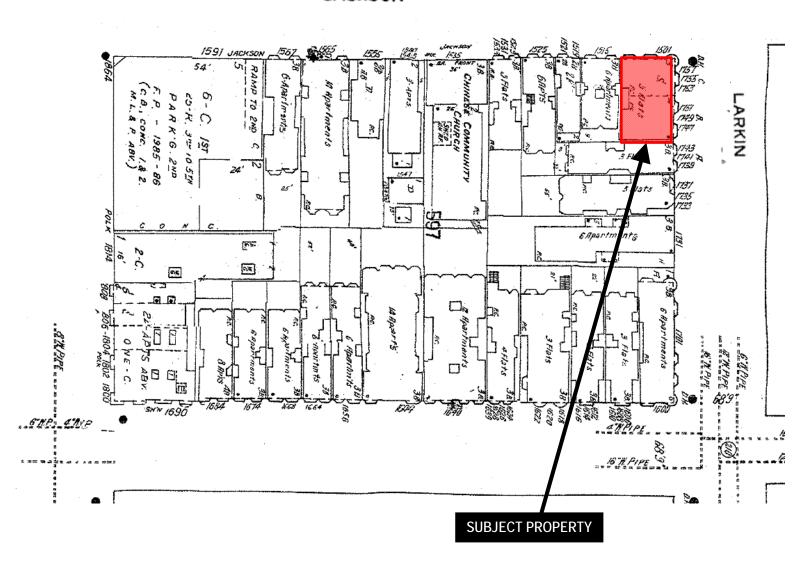
Parcel Map





Sanborn Map*

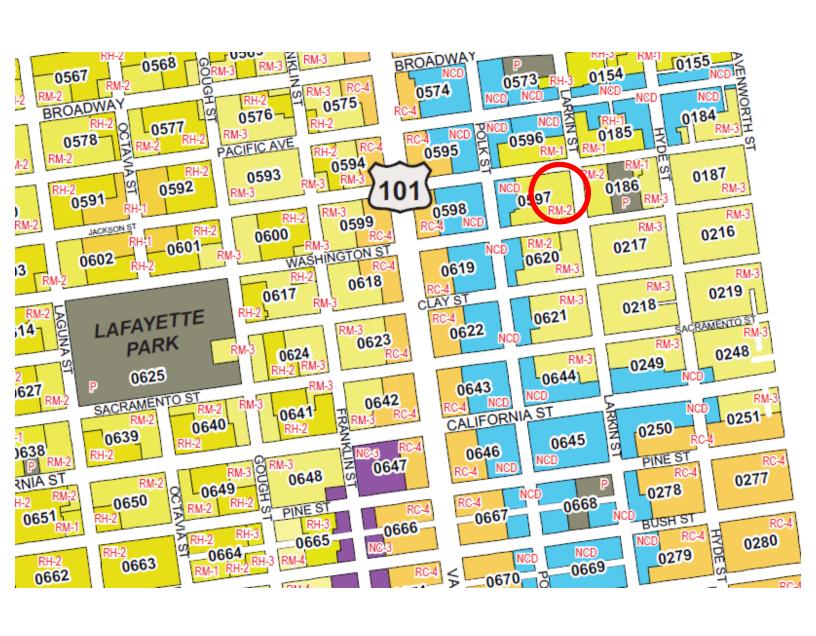
JACKSON



*The Sanborn Maps in San Francisco have not been updated since 1998, and this map may not accurately reflect existing conditions.

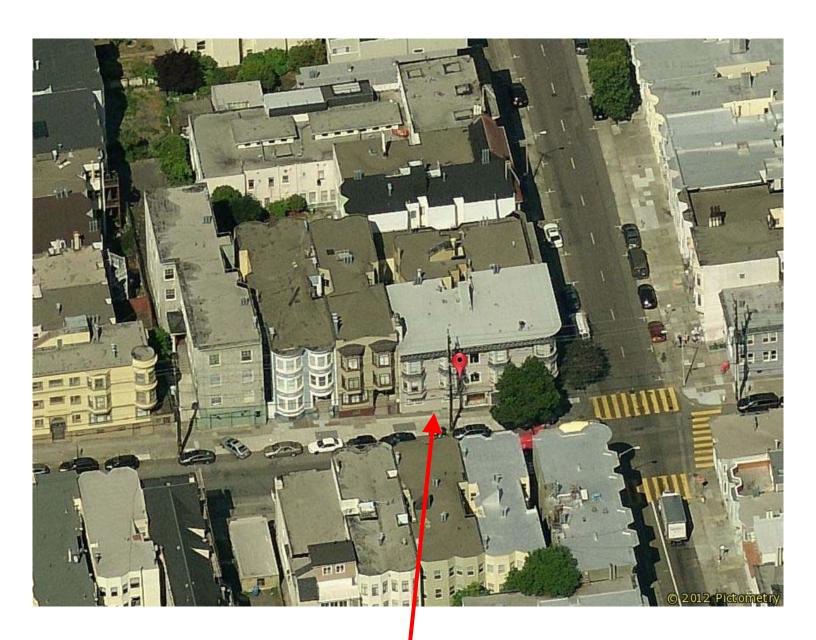


Zoning Map





Aerial Photo (looking west)



SUBJECT PROPERTY

Site Photo

