

CITY PLANNING COMMISSION

927 - 10th Street, Suite 300 - SACRAMENTO, CALIFORNIA 95814

APPLICANT	JTS Engineering Inc., 811 J Street, Sacramento, CA 95814		
OWNER	Butterfield Apartments, 926 J Street, #426, Sacramento, CA 95814		
PLANS BY	Applicant		
FILING DATE	1/31/1984	50 DAY CPC ACTION DATE	5/31/1984
		REPORT BY:	JP
NEGATIVE DEC.	15301(k)	EIR	ASSESSOR'S PCL. NO. 003-172-14

- APPLICATION:
1. Tentative Map to divide a 0.074± acre site, developed with four apartment units, into one common lot for four airspace condominium units in the Light Density Multi-Family (R-3A) zone;
 2. Special Permit to convert four apartment units into condominiums;
 3. Variance to waive the special sales and lease provisions (Section 28-C-5(a));
 4. Variance to waive the required pest control report and sound study (Section 28-C-1(c));
 5. Variance to waive four of four required parking spaces (Section 28-C-3(a));

LOCATION: 1831 H Street

SUMMARY: The Butterfield Apartments consist of a four unit apartment complex located in the Central City. The applicant is proposing to convert these units into individual ownership. The vacancy rate in the Central City is presently 5.2 percent, which is above the required minimum for allowing the conversion of rental housing into condominiums, however, these complexes represent 2.8% of rental housing stock in the Central City and if all the units were converted the vacancy would be reduced below that allowed.

PROJECT INFORMATION:

1974 General Plan Designation: Residential
1980 Central City Community
Plan Designation: Multi-Family Residential
Existing Zoning of Site: R-3A
Existing Land Use of Site: Apartment Complex (four units)

Surrounding Land Use and Zoning:

North: Multi-Family Residential, Office; R-3A
South: Multi-Family Residential; R-3A
East: Multi-Family Residential, Office, Railroad; R-3A, C-2
West: Multi-Family Residential; R-3A

Parking Required: Four spaces
Parking Provided: None
Property Dimensions: 40±' x 80±'
Property Area: .074± acres
Density of Development: 54 units per acre
Square Footage of Units: 845± sq. ft.
Height of Structure: Two story; 19 ft.
Significant Features of Site: Existing apartment
Topography: Flat
Street Improvements/Utilities: Existing
Exterior Building Colors: Beige, dark red, dark brown
Exterior Building Materials: Stucco, with wood shingles and wood trim
Square Footage of Lot: 3,200± sq. ft.

003095

APPLC. NO. 84-061

MEETING DATE May 31, 1984

CPC ITEM NO. 25

PHYSICAL CHARACTERISTICS

	2400 G ST.	2206 V ST.	2617 D ST.	2216 T ST.	2608 O ST.	1630 P ST.	2116 13th ST.	100 25th ST.	415 23th ST.	515 21st ST.	715 19th ST.	410-431 V ST.	2116 D ST.	2117 E ST.	2117 22nd ST.	2418 V ST.	2326 V ST.	2508 O ST.	2110 E ST.	2031 21th ST.	2112 19th ST.	2406 F ST.	2425 L ST.	1631 H ST.	200 26th ST.	414 23rd ST.	
1. No. of units	27	18	14	7	7	4	4	4	4	4	16	9	15	10	9	7	7	7	4	4	4	4	4	4	4	4	4
2. Parking provided	23	13	10	4	5	0	0	0	0	0	3	3	3	15	5	11	7	4	4	5	0	0	0	0	0	0	0
3. Type of construction (four rating)	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4. Date of construction	58	75	70	59	70	70	72	72	73	71	71	65	74	71	67	77	71	71	71	69	72	65	67	72	73	71	
5. Type of structure(s) 1, 2, 3 story	3	2	2	2	2	2	2	2	2	2	1	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	
6. Number of buildings	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
7. Number of laundry facilities	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
8. Hotwater supply:																											
Common				X								X	X	X		X	X	X									
Individual	X	X			X	X	X	X	X	X	X									X	X	X	X	X	X	X	
9. Estimated monthly association fee	62	55	51	80	80	64	64	64	64	64	100	79	66	75	60	60	60	60	60	60	60	60	60	60	60	60	
10. Condition of Common Area:																											
Good																											
Fair	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Poor																											
11. Amenities:																											
Pool	X	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Fireplace (#)	0	0	14	7	7	0	4	4	4	4	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Private Patio (#)	9	0	16	7	7	4	4	4	4	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

SOCIAL CHARACTERISTICS

1. Number of tenants	27	18	14	7	7	4	4	4	4	4	16	9	15	10	9	7	7	7	4	4	4	4	4	4	4	4
2. No. of unqualified low/mod. tenants	9	2	2	0	0	0	1	0	1	0	0	0	3	3	1	0	3	0	0	1	0	1	0	1	0	0
3. No. of elderly	5	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0
4. No. of single parents or f/w children	1	0	0	0	0	1	0	1	0	1	0	6	3	0	0	2	1	2	1	0	1	1	0	2	1	1
5. No. of Section 8 assisted units	2	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6. No. of eligible tenants as of 5/7/84	22	17	8	5	7	4	2	2	4	4	3	7	8	13	5	2	4	5	2	4	2	4	2	4	2	1
7. No. of tenants who list to purchase	5	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0
8. No. of handicapped tenants	2	0	0	0	0	0	0	1	0	0	0	0	2	2	0	0	1	0	0	0	0	0	0	0	0	0
9. Rent Range of Units	235	275	345	434	534	515	515	515	515	515	775	775	445	515	527	527	527	527	527	527	527	527	527	527	527	527
10. Sales Price of Units in (\$,000)	75	60	55	70	55	60	55	60	55	60	55	60	55	60	55	60	55	60	55	60	55	60	55	60	55	60

	2400 G ST.	2206 V ST.	2617 D ST.	2216 T ST.	2608 O ST.	1630 P ST.	2116 13th ST.	100 25th ST.	415 23th ST.	515 21st ST.	715 19th ST.	410-431 V ST.	2116 D ST.	2117 E ST.	2117 22nd ST.	2418 V ST.	2326 V ST.	2508 O ST.	2110 E ST.	2031 21th ST.	2112 19th ST.	2406 F ST.	2425 L ST.	1631 H ST.	200 26th ST.	414 23rd ST.	
Studio	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sq. Footage of Units	550																										
Price/Sq. Ft.	191																										
One Bedroom	19	15	0	0	0	1	0	1	1	1	0	8	8	2	0	0	0	0	1	0	0	0	0	0	0	0	3
Sq. Footage of Units	840	95				850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850
Price/Sq. Foot	77	90				59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59	59
Two Bedroom	3	2	12	6	6	4	3	4	3	3	3	15	1	2	8	6	6	6	2	3	4	4	4	4	4	1	
Sq. Footage of Units	1935	880	2880	3800	4534	4534	4534	4534	4534	4534	4534	4534	4534	4534	4534	4534	4534	4534	4534	4534	4534	4534	4534	4534	4534	4534	
Price/Sq. Foot	75	64	55	57	51	65	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	
Three Bedroom	0	0	2	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Sq. Footage of Unit																											
Price/Sq. Foot																											

Fireplace																										
No Fireplace																										

SUBDIVISION REVIEW COMMITTEE RECOMMENDATION: On April 18, 1984, by a vote of five ayes, three absent, and one abstention, the Subdivision Review Committee recommended approval of this map, subject to the conditions attached in Exhibit A.

APPLICANTS' ALTERNATIVE RELOCATION AND SALES AND LEASE PLAN

RELOCATION PLAN

- Required** 1. A public hearing, as required by City Ordinance, shall be held at a convenient location so the owners and tenants may fully discuss all aspects of this project.
Sec.28-2(B)
- Not Required** 2. Each tenant should be given the opportunity to personally consult with the owner or their agent as to all aspects of the project and how they apply specifically to that particular tenant.
- Not Required** 3. Upon approval of the condominium conversion permit and commencement of sale of the units, the owners or their representatives shall be available to the tenants on a continuing basis until all have been properly relocated, have purchased their units, or executed long-term leases. The owners shall remain involved with the project through to its satisfactory conclusion for all concerned.
- Not Required** 4. If the conversion permit is approved, the owners agree to report any written grievances they receive from any tenant to the City Planning Commission during the initial conversion process. The owners will also report any actions taken regarding these grievances, any necessary action taken to prevent recurrence of similar problems.
- Required** 5. Each eligible tenant has the right to receive relocation assistance and relocation allowances from the applicant. Any tenant that holds a lifeterm lease in effect, is justly evicted, or terminates tenancy on his or her own accord is ineligible for all relocation assistance and allowances.
Sec.28-C-5(b)

Relocation assistance and allowances will include the following:

- A. Rental housing availability reports of comparable units within the area.
- B. Transportation, if necessary, will be provided at the expense of the owner to any of the comparable units listed in the report.
- C. A relocation allowance of \$600 or the payment of all moving expenses, unless the tenant moves more than 50 miles away from the subject property. A move of more than 50 miles makes the tenant ineligible for relocation allowances.

The maximum rent outlined in the rental agreement submitted by the applicant will be no more frequent than every six months nor in an amount to exceed the consumer price index for the same period.

APPLICANTS' PURCHASE INCENTIVES FOR LOW AND MODERATE INCOME TENANTS

In addition to a higher level of maintenance and repair, residents of the condominiums will receive the equity build-up, appreciation, and substantial tax advantage inherent in home ownership. For many of the tenants in this project, the conversion may be a meaningful opportunity to purchase a home.

**Not
Required**

1. All current tenants, at the time the units are offered for sale, will be given special purchase incentives that will help make the purchase of a home affordable. The following discounts will be offered to all tenants:
 - A. A minimum 4% discount from the initial selling price of the unit to the general public;
 - B. A minimum 7% discount from the initial selling price of the unit to general public purchasers will be given to all tenants 62 years of age or older, handicapped or disabled;
 - C. A \$1,000 to \$1,500 additional discount off of the purchase price to all buyers who purchase a unit in an "as is" condition, excluding any City required renovations.

**Not
Required**

2. The following lease-option purchase plan will be available to all tenants who hold a lifetime lease:
 - A. The tenant is granted the option of selling back the lifetime lease to the owners for 25% of all rent paid from the date of execution of the lease. The value will not be less than 25% of ten (10) months rent, or more than 25% of eighteen (18) months rent. This sum will be credited exclusively towards the cash downpayment when the tenant has completed contract to purchase a unit. The owner is obligated to buy the lifetime lease at the time the tenant has completed contract to purchase a unit. The contract purchase shall be at the market rate minus discounts. If tenant has not executed a contract to purchase within 30 days from notification of the commencement date of unit sales, then the owner is no longer obligated to purchase the lifetime lease.

**Not
Required**

3. The owner shall offer for sale to all qualified low and moderate income tenants the unit in which they live at the time the special permit for the conversion project is approved, or a comparable

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unit within the project, at terms that are affordable to the tenant. The applicant will use FHA single family purchase programs or any other programs available.

The terms shall be at which the tenant can qualify for financing, through an established financial institution, for the unit for a minimum of thirty (30) years and for which the total monthly housing costs would not exceed 35% of the tenant's monthly income.

Whenever a unit is sold to a qualified tenant, the unit shall be encumbered by a second deed of trust securing an obligation in an amount equal to the difference between the amount of the note secured by the first deed of trust plus the downpayment and the sale price. The beneficiary under the second deed of trust shall be the owner.

The second deed of trust shall provide for the following:

- A. Simple interest on the amount secured shall accrue at a rate not exceeding 5% per annum;
- B. Neither principal nor interest shall be payable until the obligation secured by the second deed of trust has matured. The obligation shall mature when the unit is conveyed, transferred, leased, rented or otherwise alienated by the tenant.

If, at the time the offer for sale at affordable terms is made the assets of the qualified tenant are not sufficient to cover the downpayment and closing costs on the unit required by the financing on the unit, the owner shall pay all or a portion of the amount secured by the second deed of trust on the unit.

The qualified tenant shall have 90 days from the date the offer is made to accept the offer of sale.

STAFF EVALUATION: Staff has the following comments regarding this request:

1. Currently the multiple family rental housing vacancy rate in the Central City is 5.2%. This vacancy rate was determined from a survey of 7,227 units located in the Central City. This project is one of 26 proposed condominium conversion applications within the Central City this year. These 26 applications represent 205 units or 2.8% of the rental housing stock within the Central City. If all of these projects were to be approved for conversion to condominiums, the rental vacancy rate would be reduced to 2.4% which is below the minimum vacancy rate allowed for conversion of 5% or greater. It is, therefore, only possible to approve, at the very most, 14 of these units or 0.19% of the housing stock before the vacancy rate will be reduced below the allowable level for conversion.
2. In addition to these 26 proposed projects, the City Council approved two condominium conversion projects within the Central City in 1983. The two projects approved for conversion in 1983 represented 47 units or 0.6% of the rental housing stock. These units have not yet converted, however, when they do convert it is expected that the vacancy rate will further decline.

3. The 26 applications being considered for conversion this year have been submitted by the same applicant and group of owners. These same individuals represented the two projects approved in the Central City last year. Most of these projects were constructed within the last 10-15 years and provide similar housing opportunities and rents with very few exceptions. Since these projects alone consist of 3% of the total rental housing stock in the Central City and they represent a large portion of the newer rental housing, it is expected that adequate comparable rental housing will not be available if all these projects are approved.
4. In submitting these 26 applications the applicant requested that the City waive the required pest control reports and sound studies which are used in evaluating condominium conversion projects. These reports are valuable in determining the suitability of a project for conversion purposes by providing information on the physical condition of the structure and the measures that will be necessary to meet required code if possible. Due to the large number of applications received this year, the information provided by these studies would have proved valuable in deciding which project, or projects, should be approved since it is not possible to approve all of the requests in light of the concern over the vacancy rate.
5. The applicant has also requested a variance to waive the special sales and lease provisions outlined in the ordinance in lieu of an alternative program. The applicant is, however, proposing to offer the relocation assistance required by the ordinance. In addition, the applicant is offering a lifetime lease to all eligible tenants. Staff has reviewed the lease to be used and has no objections to this proposal especially since the long term lease outlined in the ordinance is also available at the option of the tenant. The most significant feature of the applicant's alternative sales and lease program is the use of a lease option plan which will allow a portion of the tenants' monthly rent to be applied to the downpayment on the unit if the tenant elects to purchase. The applicant's special sales program for qualified low and moderate income tenants is similar to that required by the ordinance in that the applicant will offer the unit to the tenant at an affordable price and carry a second deed of trust for the difference between the sales price and the market price. The main difference between the applicant's plan and the ordinance is that the applicant will be offering the unit to the qualified tenant at a price for which the tenant is able to secure a loan instead of the apartment market price as set forth in the ordinance. This provision will aid in providing ownership opportunities for tenants with lower incomes since the purchase price of the unit is determined by the tenants' income and ability to pay for the unit. Staff, therefore, supports the applicant's request to use an alternative program for the special sales and lease provisions.
6. In reviewing the rental history of these projects, staff noted concern over the number and percentage of rent increases in recent months. Some units have had rental increases of up to 20% in the last year. These excessive rent increases may have forced a number of the tenants out of the complex prior to application and subsequently reduced the number of eligible tenants who could possibly benefit from the tenant

provisions offered by the applicant. Of the 205 households residing in the 26 projects proposed for conversion, only 135 tenants are considered eligible since the remainder have moved into the complex subsequent to the applicant's notice of intent to convert.

7. At the present time, none of the 26 projects being considered for conversion to condominium comply with the required development standards. None of the complexes provide the parking required by the ordinance. The required two hour fire separation is not provided and it will be necessary to construct a two hour fire wall or provide approved fire sprinklers in the units. Since a sound study was not performed on these projects, it is impossible to determine what modifications will be necessary to meet the minimum sound impact and transmission levels required by the ordinance. In addition to these deficiencies, the City Building Inspections Division indicated a number of code violations which were present in these projects. The Building Division found the following code deficiencies in this complex
 - A. Building code deficiencies in the kitchen and bathroom areas of the units and in the laundry room of the complex;
 - B. Electrical code violations;
 - C. Deficiencies in the water heating system;
 - D. Deficiencies in roof-mounted duct work and fuel gas piping and and in roof drainage.

8. The subject project consists of one two-story structure containing four 845± square foot two-bedroom units. The first floor units each have a private fenced-in yard with an uncovered patio area, while the second floor units have a private balcony. Each unit has a masonry fireplace.

Common areas include the central mail box area at the south entrance, the laundry room, and fenced-in trash areas along the east and west sides of the structure. The site has a fair amount of landscaping in the planter areas along the south property line which appears to be regularly maintained and in good condition. The landscaping in the planter areas along the east and west sides of the structure, however, is in need of improvement. No on-site parking is provided for tenants of the complex.

In conclusion, this four unit apartment complex does not meet minimum development standards and building code requirements relating to condominium conversion projects. Of primary concern is the lack of on-site parking for building residents. Both 19th Street and H Street are designated as major streets and heavily traveled during the day, making maneuvering for any available on-street parking extremely difficult. In addition, a number of multi-family units are located in the area, making on-street parking severely limited. If this project was approved along with the other apartment complexes proposed for conversion, the rental vacancy rate in the Central City would fall below the minimum

5±% vacancy rate allowed for conversions. This structure is not suitable for conversion to condominiums; staff, therefore, recommends denial of the project.

ENVIRONMENTAL DETERMINATION: The proposed project is exempt from environmental review, pursuant to State CEQA Guidelines (Sec. 15301(k)).

STAFF RECOMMENDATION:

1. Denial of the Tentative Map;
2. Denial of the Special Permit based upon findings of fact which follow;
3. Denial of the Variance to waive the special sales and lease provisions based upon findings of fact to follow;
4. Denial of the Variance to waive the required pest control report and sound study, based upon findings of fact to follow;
5. Denial of the Variance to waive four of four required parking spaces based upon findings of fact to follow;

Findings of Fact - Special Permit

- A. The proposed conversion application is not consistent with the Housing Element of the General Plan or the Zoning Ordinance in that approval of this project will reduce the vacancy rate below the minimum allowed for conversion.

The applicant has not proposed any measures that will successfully mitigate the adverse effect on the rental housing stock and it is expected that tenant displacement and relocation problems will result with this conversion.

- B. Adequate comparable replacement housing will not be available since this project, along with all the others proposed for conversion this year, represent a considerable number of the newer rentals in the Central City with comparable rents and housing type.
- C. The project does not meet the required development standards for condominium conversion in that adequate parking is unavailable as it relates to the number of spaces provided and/or maneuvering space and the applicant is proposing this requirement be waived.
- D. This project represents a unique and needed rental housing resource in the Central City considering the number of similar rental housing opportunities which have been approved for conversion or are being proposed this year. It is, therefore, expected that tenant displacement problems will result with this proposed conversion.

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Findings of Fact - Variance

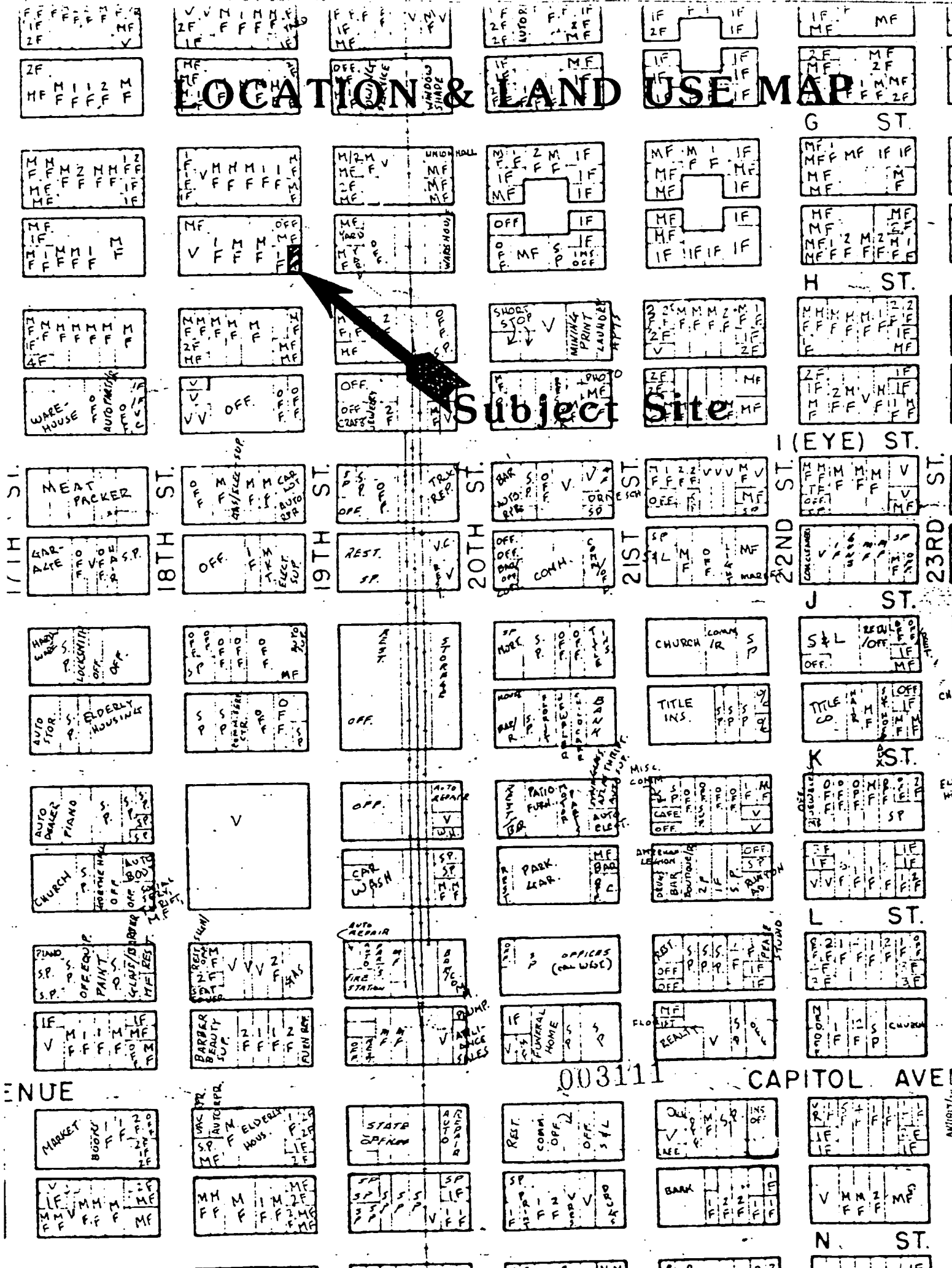
- A. As proposed, the variance would be injurious to the public welfare or other property owners in the area in that adequate parking will not be available on-site and this could create parking and traffic problems for future homeowners and other residents in the neighborhood.
- B. As proposed, the variance is contrary to the Zoning Code for condominium conversions which requires one parking space per dwelling unit.
- C. The project does not meet the required development standards for condominium conversion in that adequate parking is unavailable as it relates to the number of spaces provided and/or maneuvering space and the applicant is proposing this requirement be waived.
- D. This project represents a unique and needed rental housing resource in the Central City considering the number of similar rental housing opportunities which have been approved for conversion or are being proposed this year. It is, therefore, expected that tenant displacement problems will result with this proposed conversion.

Findings of Fact - Variance

- A. As proposed, the variance would be injurious to the public welfare or other property owners in the area in that adequate parking will not be available on-site and this could create parking and traffic problems for future homeowners and other residents in the neighborhood.
- B. As proposed, the variance is contrary to the Zoning Code for condominium conversions which requires one parking space per dwelling unit.
- C. The proposed variance to waive the required sound study and pest control report constitutes a special privilege extended to one property owner in that other property owners have complied with this requirement and there are no special circumstances to warrant approving this request.

003104

LOCATION & LAND USE MAP



Subject Site

17TH ST

18TH ST

19TH ST

20TH ST

21ST ST

22ND ST
23RD ST

J ST

K ST

L ST

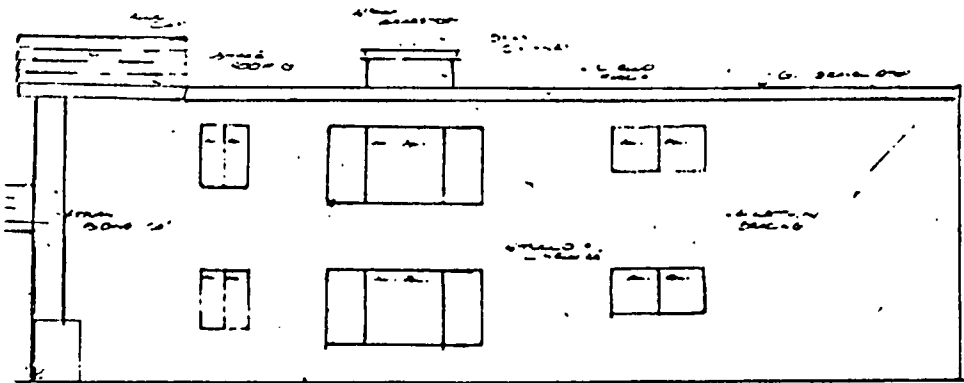
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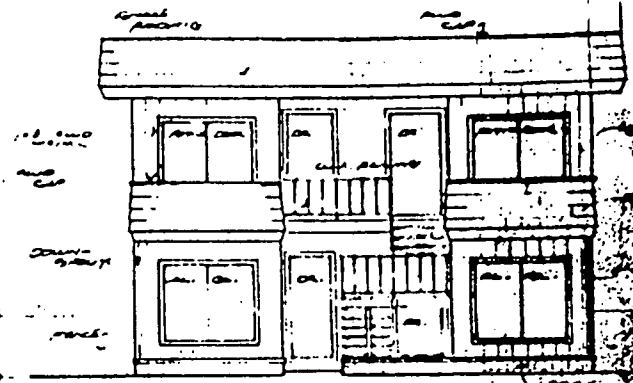
CAPITOL AVENUE

1ST AVE

3RD AVE

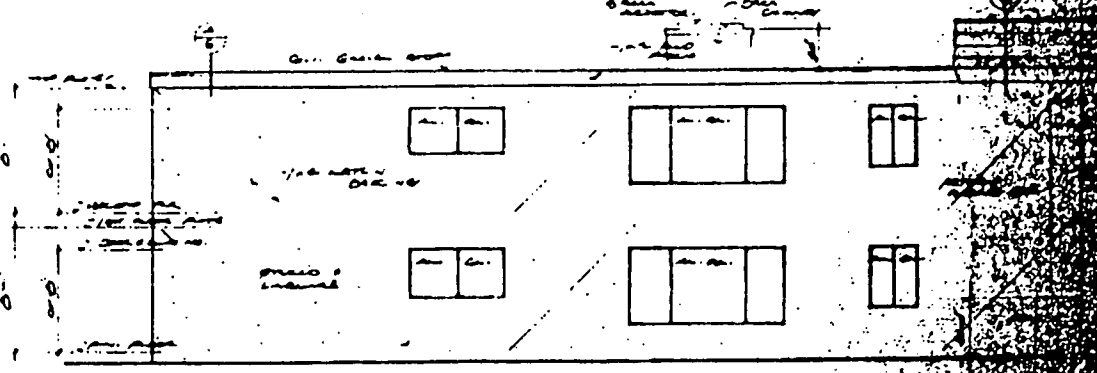
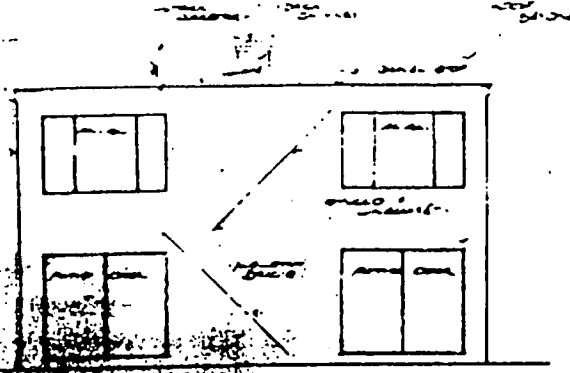


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R I G H T S I D E E L E V A T I O N
SCALE 1/4" = 1'-0"

S T R E E T E L E V A T I O N
SCALE 1/4" = 1'-0"



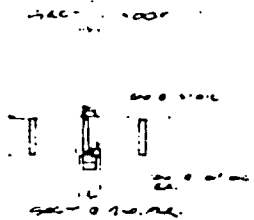
L E F T S I D E E L E V A T I O N
SCALE 1/4" = 1'-0"

L E F T S I D E E L E V A T I O N
SCALE 1/4" = 1'-0"

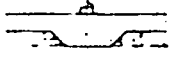


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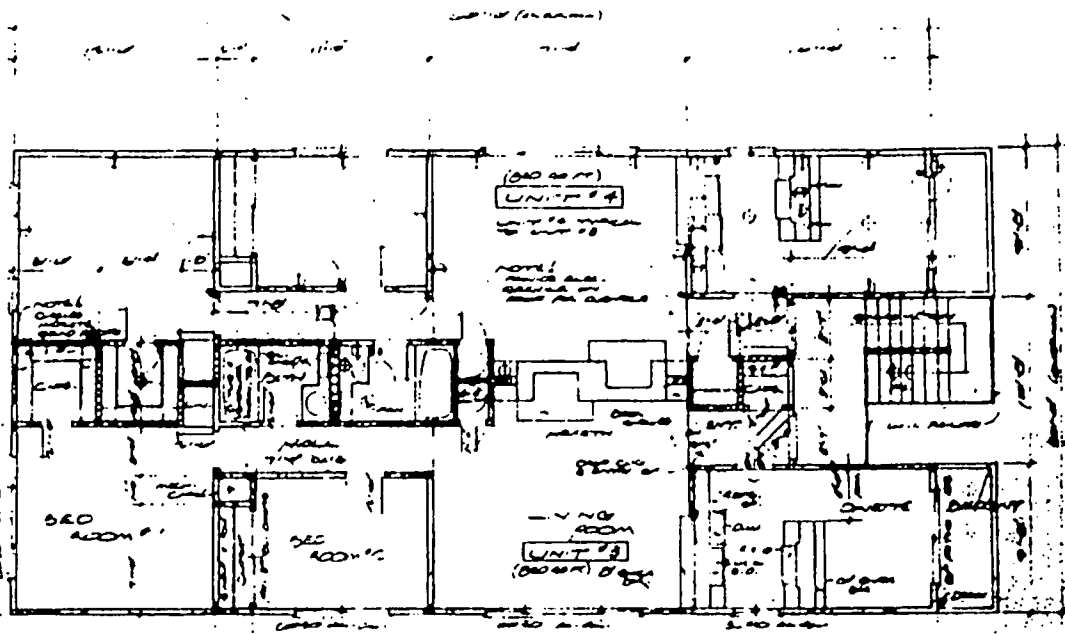


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OPER FLOOR PLAN

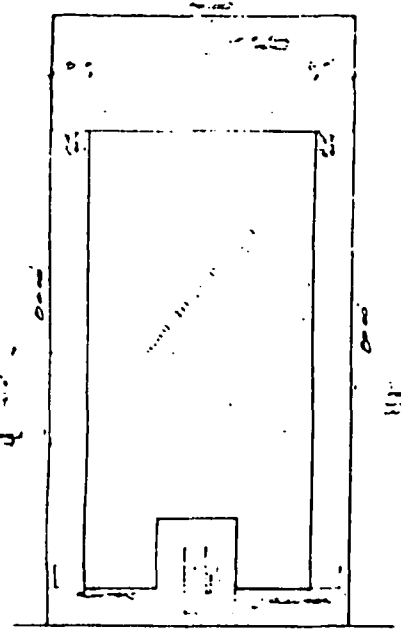
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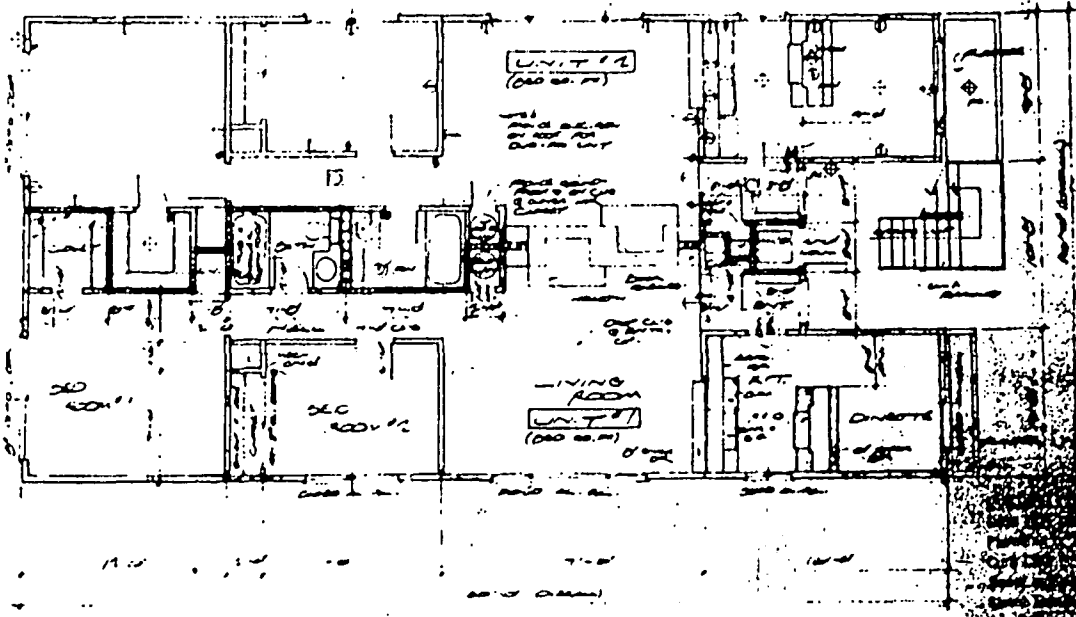
FIGURE 8406M

COND (continued)



STREET

SITE PLAN

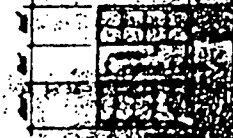
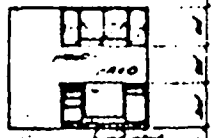
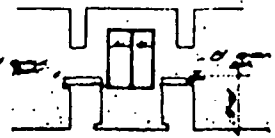
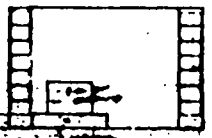
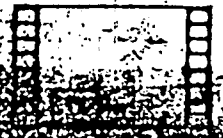


LOWER FLOOR PLAN

SCALE 1/8" = 1'-0"

GENERAL NOTES

1. ALL ROOMS TO BE CARPETED EXCEPT BATHROOM & KITCHEN
2. COUNTER TOPS AT KITCHEN TO BE GRANITE
3. BATH COUNTER TOPS TO BE CERAMIC MASON
4. THROUGH AIRWAYS SHALL BE 1.0" DIA. WITH 1.0" DIA. AIRWAY
5. ALL THROUGH AIRWAYS SHALL BE 1.0" DIA. WITH 1.0" DIA. AIRWAY
6. LIFTING MEANS AT UNIT #1 TO BE REMOVED
7. ALL FLOOR JOISTS TO BE TYPICAL JOIST
8. GROUND FLOOR SHALL BE TO BE LAME LAME



(SECTION A-A)

(SECTION B-B)

(SECTION C-C)

(SECTION D-D)

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