

**CITY OF SACRAMENTO PLANNING COMMISSION**  
1231 "I" STREET, SUITE 200, SACRAMENTO, CA 95814

<b>APPLICANT</b> <u>Frost, McCormick &amp; Houston, Inc., 7806 Uplands Way, Suite B, Citrus Heights, California 95610</u>		
<b>OWNER</b> <u>David &amp; Linda Vaughn, North Bay Development Co., 15 North Ellis Avenue, San Mateo, California 94401</u>		
<b>PLANS BY</b> <u>Sutton &amp; Associates, 5141 Cypress Avenue, Carmichael, California 95808</u>		
<b>FILING DATE</b> <u>January 30, 1991</u>	<b>ENVIR. DET.</b> <u>Exempt 15301(k)</u>	<b>REPORT BY</b> <u>CG</u>
<b>ASSESSOR'S PCL. NO.</b> <u>030-0570-002</u>		

**APPLICATION:**

- A. Tentative Map to subdivide 14.2± developed acres into 180 condominium lots and one lot for common area in the Multiple Family Residential - Review (R-3-R) zone.
- B. Special Permit to allow the conversion of 180 apartment units to condominium units on 14.2± developed acres in the Multiple Family Residential - Review (R-3-R) zone.

**LOCATION:** 6058 Riverside Boulevard

**PROPOSAL:** The applicant is requesting the necessary entitlements to convert an apartment complex to condominiums for sale of individual units.

**PROJECT INFORMATION:**

General Plan Designation:	Medium Density Residential (16-29 du/na)
Pocket Community Plan Designation:	Residential (16-29 du/na)
Existing Zoning of Site:	R-3-R
Existing Land Use of Site:	180-unit apartment complex

**Surrounding Land Use and Zoning:**

North:	Sacramento River; F
South:	Multiple Family Residential; R-3
East:	Single Family, Vacant and Commercial; R-1 and R-2B
West:	Park; R-1-R

Parking Required:	282 spaces
Parking Provided:	299 spaces
Property Dimensions:	Irregular
Property Area:	14.2± acres
Total Number of Units:	180
2 Bedroom Units (1,088 sq.ft.):	90
3 Bedroom Units (1,275 sq.ft.):	90
Height of Building:	2 Story
Density of Development:	12.7 du/na
Topography:	Flat
Street Improvements:	Existing
Utilities:	Existing
Proposed Exterior Building Materials:	Stucco
Proposed Roof Material:	Tile
School District:	Sacramento City Unified

**BACKGROUND INFORMATION:** The construction of the 180-unit apartment complex (Riverside Villa) was completed in January 1975. In 1980, an application was filed to convert the apartment complex to condominiums. On January 15, 1981, the Planning Commission denied the special permit to allow a condominium conversion due to a lack of votes. On March 3, 1981, the City Council approved the special permit and tentative map for the condominium conversion. On April 8, 1982, the Planning Commission approved an extension of the special permit for one year and an extension of the tentative map for six months. The City Council subsequently approved the extensions on May 18, 1982. The tentative map was never recorded and no units were sold.

**SUBDIVISION REVIEW COMMITTEE RECOMMENDATION:** On April 3, 1991, the Subdivision Review Committee voted four ayes, two noes, and three absent to recommend approval of the tentative map. The Subdivision Review Committee acted as a technical advisory committee which reviewed the map on its technical merits only, not upon the merits of the proposed land use.

**PROJECT EVALUATION:** Staff has the following comments:

A. Land Use and Zoning

The subject site consists of 14.2+ acres within the Multiple Family - Review (R-3-R) zone. The site is developed with an 180-unit apartment complex. The General Plan designates the site Medium Density Residential (16-29 du/na). The Pocket Community Plan Designates the site Residential (16-29 du/na). The surrounding land use and zoning includes the Sacramento River, zoned F, to the north; multiple family residential, zoned R-3, to the south; single family, vacant and commercial, zoned R-1 and R-2B, to the east; and a park, zoned R-1-R, to the west.

B. Applicant's Proposal

The applicant is proposing to subdivide the property and convert the 180 apartment units to condominiums which may be sold individually. The applicant proposes to upgrade the property by changing the exterior building and roof materials from wood siding and composition shingle to stucco and tile. The proposal also includes converting some of the surface parking to carports which cover 347 spaces, as well as interior rehabilitations of the units.

C. Special Permit for Condominium Conversion

1. Background

In 1981 the Ordinance relating to Condominium Conversions was adopted. The purpose of the Ordinance is to ensure adequate provision for the housing needs of all economic segments of the community, maintain a balance of rental and ownership housing, to help mitigate the impact of eviction for residents of rental units as a result of a condominium conversion, and to ensure that physical standards are met. The applicant, as part of the Special Permit application, must submit a detailed property report which includes physical characteristics of the property, proposed Covenants, Conditions and Restrictions, rental history, any relocation assistance which will be provided and a tenant survey.

In order to approve a Special Permit for a condominium conversion there are several findings which must be made. These include:

- a. That the proposed conversion is consistent with the General Plan and applicable community and specific plans in effect at the time of the Special Permit application;
- b. That the average rental vacancy rate in the affected community plan areas during the 12 months preceding is greater than 5 percent; provided that a Special Permit may be approved

where the said vacancy rate is equal to or less than 5 percent if the applicant has proposed measures which the Commission and Council find would effectively mitigate the displacement of tenants and any adverse effects upon the rental housing stock in the affected community plan area;

- c. That there exists adequate comparable replacement housing for each eligible tenant in the building proposed for conversion; and
- d. That the applicant has complied with all the provisions of Section 28 of the Zoning Ordinance.

2. Vacancy Rates \ Replacement Housing

The City of Sacramento's Condominium Conversion Ordinance states that "the City Council shall not approve a Special Permit under this section unless it finds:...2) That the average rental vacancy rate in the affected Community Plan areas during the 12 months preceding the date the City determined rental vacancy rates are issued pursuant to subsection B-4 of this section is greater than 5 percent, provided that a Special Permit may be approved where the said vacancy rate is equal to or less than 5 percent if the applicant has proposed measures which the Council finds would effectively mitigate the displacement of tenants and any adverse effects upon the rental housing stock in the affected community plan areas which would be caused by the proposed conversion.

The application for conversion of Riverside Villa Townhomes raises three issues. First the accuracy of the vacancy rate calculation provided by the applicant is questionable. Second, the assertion that tenant turnover should be added to vacancy rate to determine total units available is invalid. Finally, mitigation measures for the adverse effects upon the rental housing stock are non-existent.

In the "Riverside Villa Townhomes Comprehensive Vacancy and Mitigation Report" the average vacancy rate is calculated by averaging Freshman Information Services data and Coldwell Banker data. It is inappropriate to use Coldwell Banker data for the following reasons: 1) Area 10 covered in the Coldwell Banker reports does not directly correspond to the Pocket Community Plan Area; 2) The Coldwell Banker Study covers only selected complexes of 40 units or more and is therefore less representative than Freshman, which covers all complexes of 20 units or more; 3) Coldwell Banker uses a mailout survey, and publishes the results of as many surveys as are returned, which is less accurate than Freshman, which conducts telephone surveys, confirmed by site visits to a portion of the units. Even more importantly, the figures published in the report as results of the Freshman Information Services studies vary widely from City calculations based on the Freshman data. The following table illustrates the differences.

Pocket CPA Results Attributed to Freshman Information Services May/November 1990 Studies

		<u>Units</u> <u>Surveyed</u>	<u>Vacant</u> <u>Units</u>	<u>Vacancy</u> <u>Rates</u>
May 1990	Applicant	3471	142	4.10%
	City	4667	200	4.29%
Nov 1990	Applicant	4887	210	4.30%
	City	4722	150	3.18%
Total	Applicant	8358	352	8.40%
	City	9389	350	7.47%
Average	Applicant	4179	176	4.29%
	City	4695	175	3.73%

Whether the difference results from a misunderstanding of the Community Plan boundaries, or from simple arithmetic miscalculations, the City derived figure of 3.73% should be used in subsequent calculations, unless the applicant can provide evidence that their calculations are indeed the correct ones. Evidence that the discrepancy may be a result of arithmetic errors on the part of the applicant exists in the summary table itself, where the average vacancy rate is listed as 4.29% whereas, in fact, 176 divided by 4179 amounts to 4.21%.

The applicant's report claims that a 3 percent monthly turnover rate translates into 145 additional available units per month. The turnover rate is irrelevant, however, to the salient fact that despite turnover, the vacancy rate remains below 5 percent and rental housing stock is therefore considered insufficient in the area.

The measures required to mitigate adverse impacts on the rental stock are open to interpretation. One interpretation would be that the construction of 180 units of new rental housing would be required to offset the total units lost. Another interpretation would be that sufficient units would need to be built to offset the difference between 3.73% and 5% vacancy rate for "comparable units". Taking the applicant's figure of 4823 as acceptable, this would amount to 61 units. A third interpretation would be that sufficient units would need to be built to offset the difference between 3.73% and 5% of all multi-family units. This would amount to be approximately 88 units.

The applicant has proposed no mitigation measures whatsoever, regardless of interpretation. Section IV "Addition to Housing Stock" vaguely implies that new construction of multi-family units in the area eliminates the need for mitigation measures. This is not so, in that the projects listed are in no way related to the applicant or contingent upon the granting of this entitlement. It is possible that, in the future, completion of these projects will aid in increasing the vacancy rate in the area to an optimum level. This will not be known for months, or possible even years, however, until the projects are completed and go through their "rent up" period.

3. Relocation Assistance

The applicant has developed a relocation assistance program as part of the Property Report. The program includes assisting a resident who does not wish to purchase a unit by contributing to the moving costs. The applicant proposes a \$600 allowance for an unfurnished unit and \$500 for a furnished unit. The applicant will also review on a case by case basis any residents which have special needs to determine if any further assistance can be provided. The relocation program also includes assistance in locating comparable replacement housing. The applicant will provide a "Relocation Specialist" at Riverside Villa to meet personally with and assist any resident in finding housing. A copy of an Apartment Availability Report will be made available to the residents. For residents who are 62 or older or handicapped, the applicant will provide a long term lease to remain within the complex. Relocation assistance for residents 62 or older, handicapped or single heads of households with children will include the last months rent for the new housing, security deposit at the new housing, rental assistance for the period of one year, and the right to not be unjustly evicted until relocation occurs.

The applicant proposes to minimize the impact of relocation by phasing in the conversion of the units to condominiums. Each tenant in Phase I will be offered the right to purchase a unit. If they decline, they will be offered a vacant unit in Phase II or Phase III.

4. Resident Survey

A part of the application submittal requirements includes the completion of a resident survey. The questions on the survey included such things as the length of residency, willingness to purchase a unit, general approval of the conversion concept, and any modifications which should be made to the unit.

prior to purchase. Fifty-nine resident surveys were returned. The following is a brief summary of answers to three questions:

Length of Residency	Number	Percentage
0 - 6 mo.	5	9
6 - 12 mo.	13	22
1 - 3 yrs.	22	37
3 - 5 yrs.	10	17
5 + yrs.	8	14
No Reply	1	1

Willing to Purchase if Affordable	Number	Percentage
Yes	36	61
No	19	32
No Reply	4	7

Approve of the Conversion Concept	Number	Percentage
Yes	35	59
No	19	32
No Reply	5	9

The primary concern of the residents was the affordability of the units and the possibility that comparable units at similar rental rates may not be available. The modifications the residents felt were necessary for the units consisted primarily of general maintenance and new carpeting and appliances. These concerns are addressed in the renovations proposed by the applicant.

5. Conclusions

Based upon the above information, staff recommends the Planning Commission deny the Special Permit for the condominium conversion. Not only is the multiple family residential vacancy rate less than five percent, Riverside Villa is a unique housing complex. It is rare to find rental units which contain three bedrooms. The rents for Riverside Villa range from \$495 for the two bedroom units to \$595 for the three bedroom units. This rate is relatively low for the Pocket Community Plan area which averages \$588 for two bedroom units and \$632 for three bedroom units. Staff feels the loss of these 180 rental units is significant and is not mitigated by the applicant's proposal.

D. Tentative Map

Staff recommends the Planning Commission deny the Tentative Map based upon the land use conversion from apartments to condominiums.

E. Agency Comments

The proposed project was reviewed by various City Departments and other agencies. The following comments were received as conditions of the tentative map:

City Engineering Development Services

1. The project shall conform to the requirements of the Condominium Conversion Ordinance.

2. Notice: Property to be subdivided in accordance with this map may be subject to flooding. Interested parties should ascertain whether and to what extent such flooding may occur. The applicable base flood elevations for the property should be reviewed. Base flood elevations are contained in the U.S. Army Corps of Engineers Flood Insurance Study Working Map for the Sacramento Community, dated January 1989, available for review at the City of Sacramento's Public Works Department, Development Services Division, Room 100, 927 10th Street.

City Building Inspection

1. A legal agreement with the City should be developed which provides for a no build easement around the buildings.
2. The conversion shall meet all Building Code requirements for condominium construction.

City Solid Waste

Solid Waste requests that the complex keep its present bin service rather than each individual townhouse having its own 90-gallon container. To do this the Homeowner's Association would have to be billed for service then pro-rate charges to each individual homeowner.

City Police Department

We will require the following conditions for approval of the condominium conversion request involving the Riverside Villa Apartments:

1. The entire complex must meet the minimum security standards set forth in Section 9.920, Article XXIII of Chapter 9 of the Sacramento City Code. A copy of this code section, known as the Personal Safety Building Code has been provided for the applicant.
2. The perimeter of the property must be enclosed by a six foot high fence constructed of chainlink, masonry or wrought iron materials, or a combination of those materials. The design of the fence must be approved by the City Planning Division and the Police Department.

Pacific Gas and Electric Co.

Dedicate common area as a public utility easement except for where structures are located.

SMUD

Dedicate the common areas as a public utility easement for underground facilities and appurtenances except for those areas where structures or pool are located.

U.S. Army Corps of Engineers

According to the Federal Emergency Management Agency's FIRM 060266 0025E, dated November 15, 1989, the area is designated as Zone A99. This designation indicates that the project is located within the 100-year flood plain of the Sacramento River.

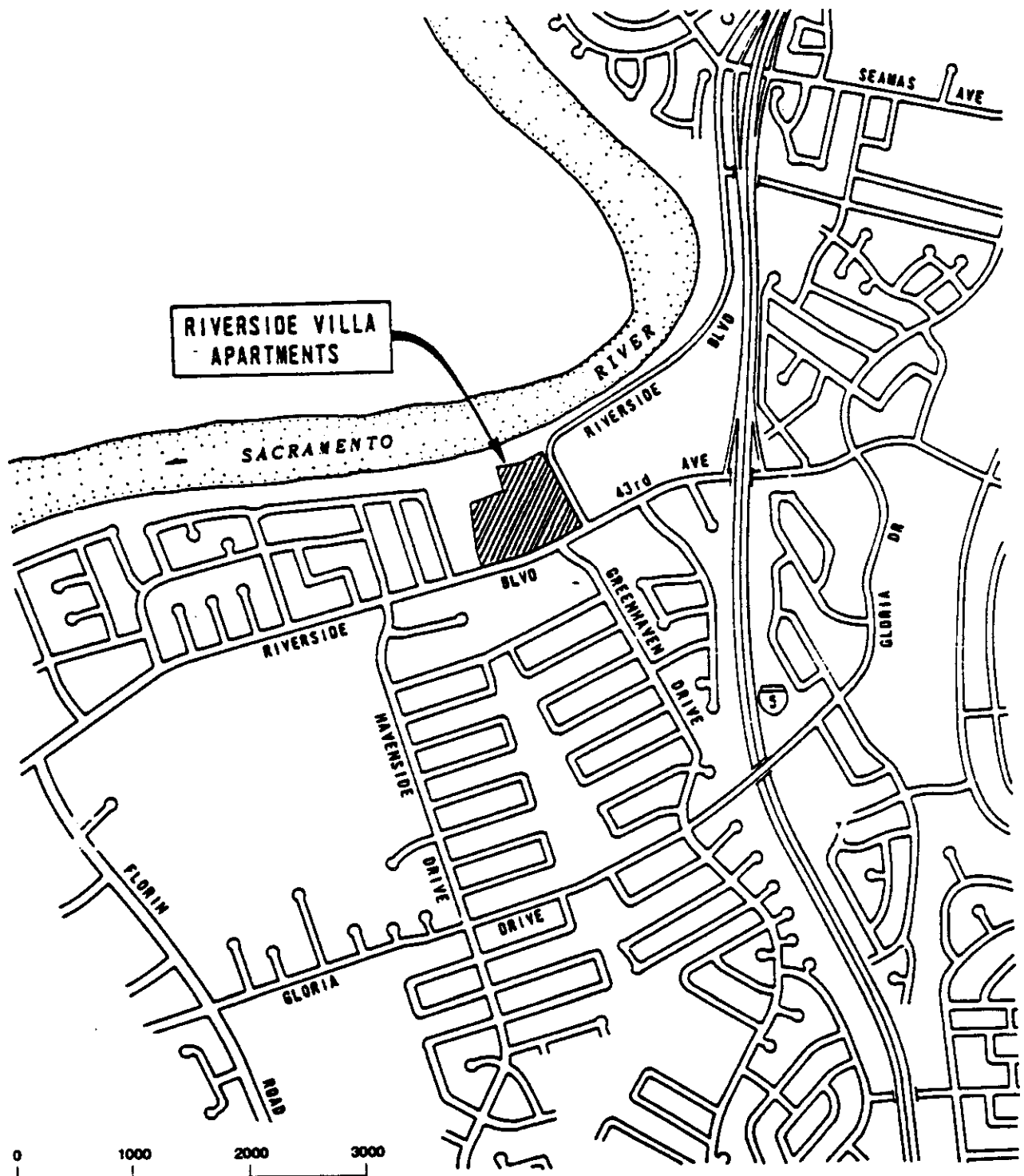
ENVIRONMENTAL DETERMINATION: The Environmental Coordinator has determined the proposed project is exempt from environmental review pursuant to State EIR Guidelines (CEQA Section 15301(k)).

**RECOMMENDATION:** Staff recommends the Planning Commission take the following actions:

- A. Recommend denial of the Tentative Map to subdivide 14.2+ developed acres into 180 condominium lots and one lot for common area and forward to the City Council.
- B. Recommend denial of the Special Permit to allow the conversion of 180 apartment units to condominium units based upon findings of fact which follow and forward to City Council.

**Findings of Fact - Special Permit**

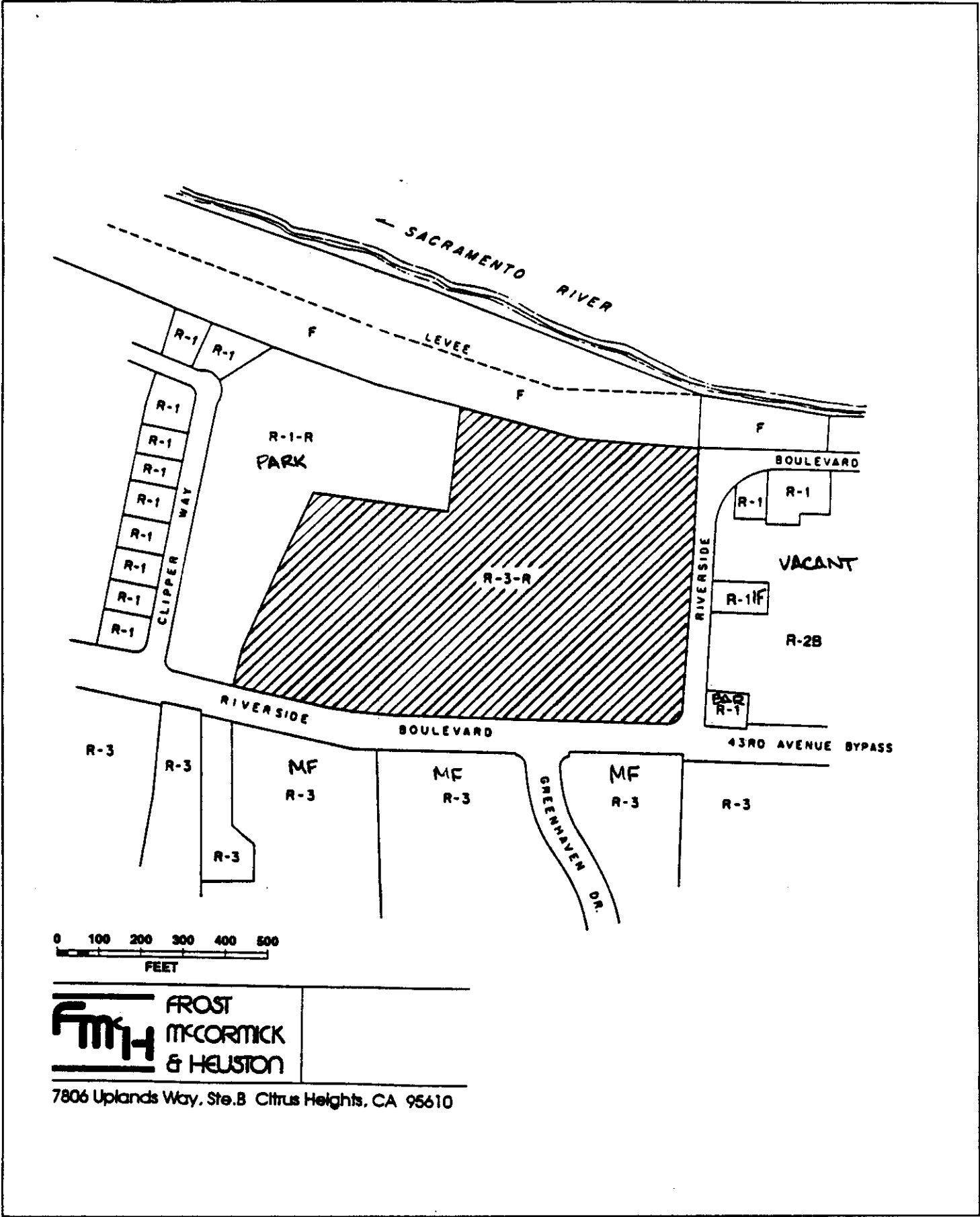
- 1. The proposed conversion is inconsistent with the General Plan and Pocket Community Plan in that the project does not provide affordable housing to all economic segments of the population. The proposal would eliminate rare three bedroom affordable rental units.
- 2. The project is inconsistent with the requirement of Section 28 of the Zoning Ordinance which requires that the vacancy rate be greater than 5 percent and no measures have been proposed which effectively mitigate the displacement of tenants and any adverse effects upon the rental housing stock in the Pocket Community Plan area.
- 3. There does not exist adequate comparable replacement housing for each eligible tenant within Riverside Villa. The Pocket Community Plan area does not have an adequate vacancy rate and does not have an adequate supply of three bedroom affordable rental units.



**Frost**  
**McCormick**  
**& Houston**

**VICINITY MAP**





**Frost**  
**McCormick**  
**& Houston**

7806 Uplands Way, Ste. B Citrus Heights, CA 95610

**LAND USE & ZONING MAP**

# EXHIBIT A TENTATIVE MAP

## TENTATIVE MAP RIVERSIDE VILLA CONDOMINIUMS CITY OF SACRAMENTO, CALIFORNIA

### PROJECT INFORMATION

**SUBSIDER**  
RIVERSIDE VILLA  
CONDOMINIUMS  
1400 JACON WAY SUITE 8  
SACRAMENTO, CA 95811  
(916) 435-5535

**ENGINEER**  
FRANK P. GONZALES, LICENSED  
CIVIL ENGINEER  
1400 JACON WAY SUITE 8  
SACRAMENTO, CA 95811  
(916) 435-5535

**WATER SUPPLY**  
CITY OF SACRAMENTO

**SEWER / DRAIN**  
CITY OF SACRAMENTO

**ELECTRICITY**  
SMUD

**GAS**  
P.G. & E.

**TELEPHONE**  
PACIFIC BELL

**REUSE**  
CITY OF SACRAMENTO

**FIRE DISTRICT**  
CITY OF SACRAMENTO

**PROPOSED ZONING**  
R-3.5-R

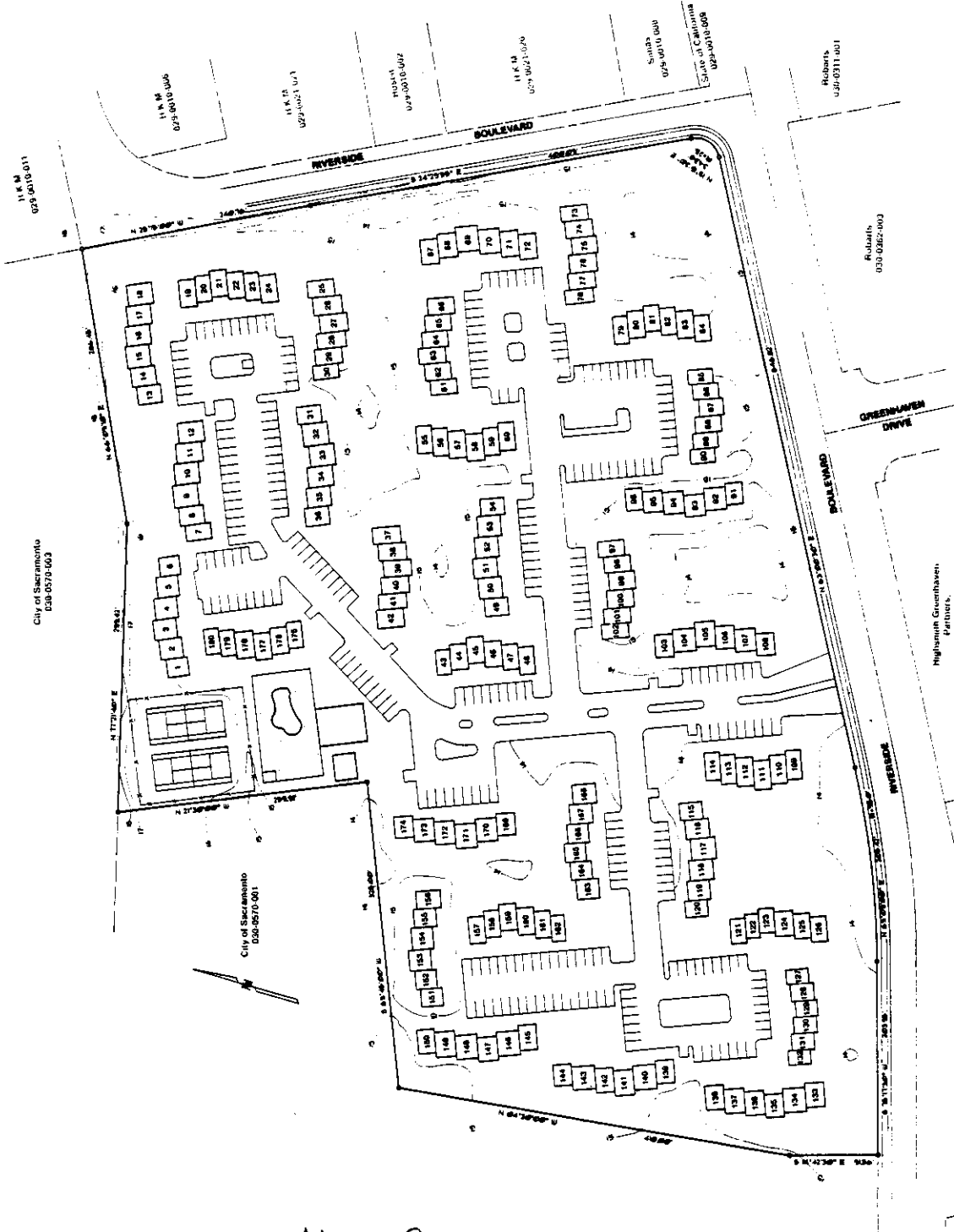
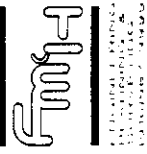
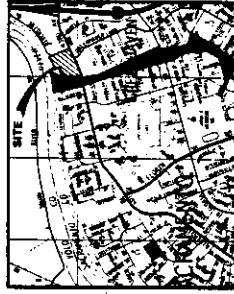
**EXISTING ZONING**  
R-3.5-R

**PROPOSED USE**  
APARTMENT HOUSING

**EXISTING USE**  
APARTMENT HOUSING

**PROPOSED PARCEL NO**  
1400 JACON WAY SUITE 8  
SACRAMENTO, CA 95811  
(916) 435-5535

**ACREAGE**  
14.77 ACRES

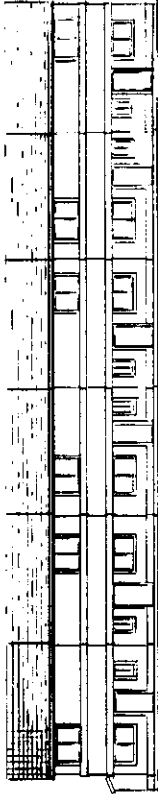


P91-024 May 9 April 25, 1991 Mem # 7

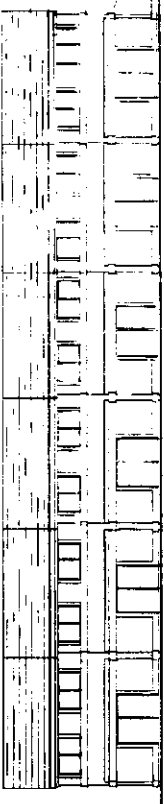


# EXHIBIT C ELEVATIONS

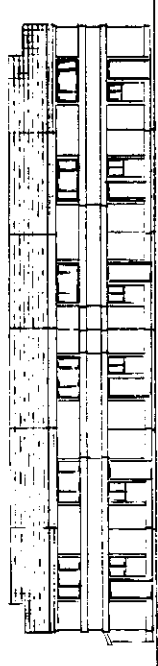
 <p>SUTRON &amp; ASSOCIATES ARCHITECTS</p>		 <p>RIVERSIDE TOWNSHIPS</p>	<p>CONDOMINIUM CONVEYANCE</p>	<p>DATE: _____</p> <p>SCALE: _____</p>	<p>SHEET</p>	<p>OF _____</p>
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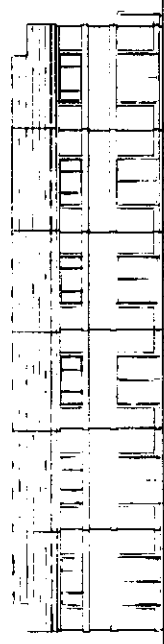
FRONT ELEVATION, BLDGS. 16-30



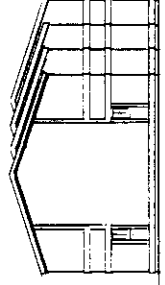
REAR ELEVATION



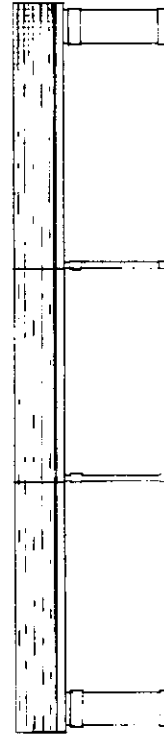
FRONT ELEVATION, BLDGS. 1-15



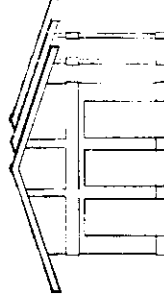
REAR ELEVATION



SIDE ELEVATION



FRONT CARPORT ELEVATION



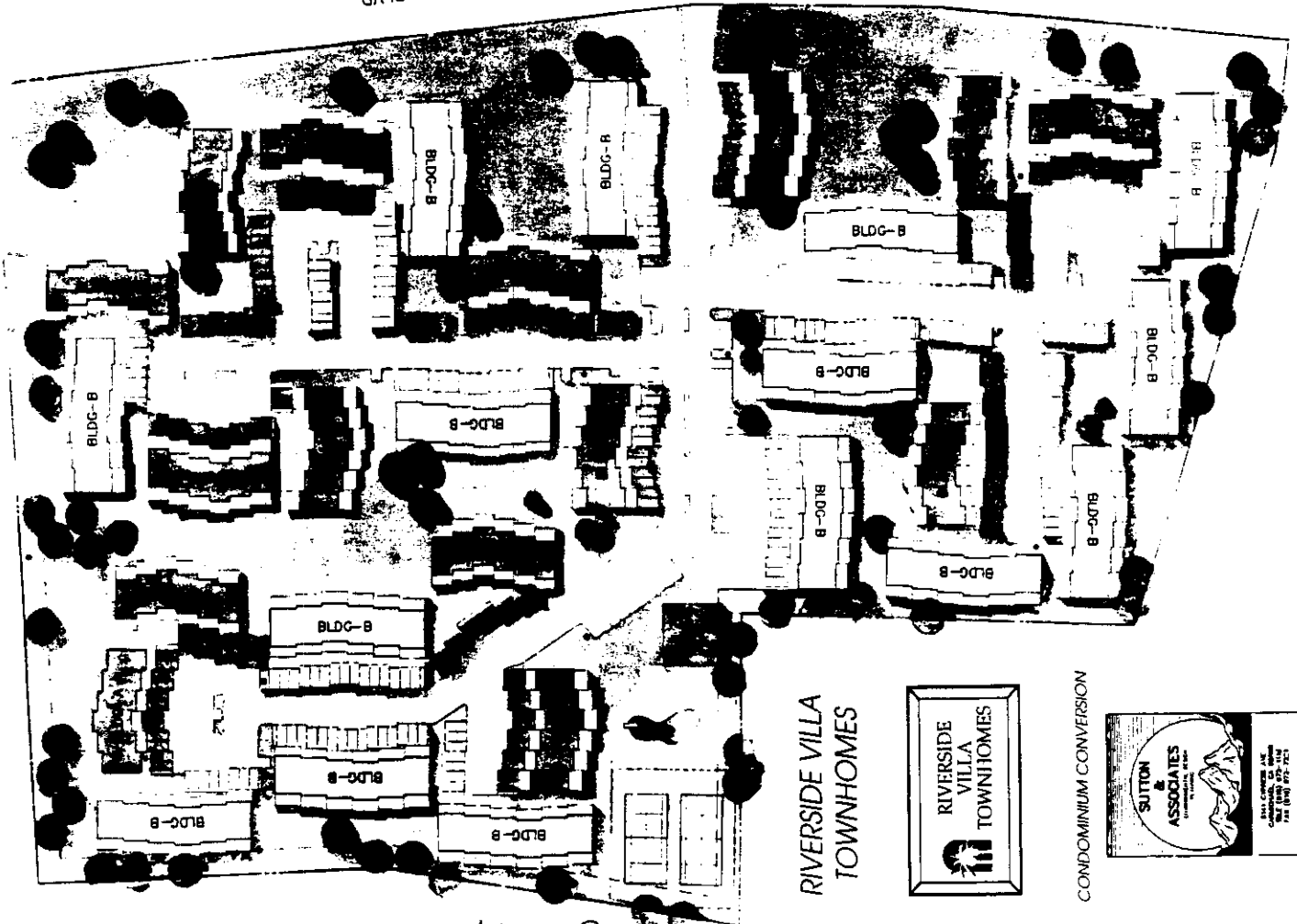
SIDE ELEVATION

**EXHIBIT D**



BLVD

RIVERSIDE



RIVERSIDE VILLA  
TOWNHOMES



CONDOMINIUM CONVERSION



1111 L. L. C. 1111  
COLUMBIA, SC 29904  
TEL: 803 733 7373  
FAX: 803 733 7373

P91-024

May 9  
Apr 25, 1991

Mem # 7