



# INFORMATION REGARDING CONDOMINIUM CONVERSION

City of Santa Rosa Department of Community Development

The following information summarizes various requirements and procedures for converting existing rental units to condominiums. Although Santa Rosa has a Condominium Conversion Ordinance, it only applies to projects built or issued permits to build prior to April 1979. More information about Santa Rosa's Ordinance is outlined on page 2.

## **CONDOMINIUM CONVERSION PROCESS**

Condominium conversions are considered subdivisions of land and are regulated under the provisions of the Subdivision Map Act of State law. In addition, conversions must comply with other applicable statutes and local regulations such as the Building Code, Fire Code and Utilities requirements. (See "Other Considerations" on page 2).

Condominium conversions require the processing of a Tentative Subdivision Map or Parcel Map (for proposals less than five units). Application fees are based on the number of lots being created. A public hearing fee is also applicable to condominium conversions. Subdivisions for ownership purposes are typically exempt from CEQA (Section 15301(k)). An Environmental Assessment application will be required only if additional units are proposed.

For projects subject to Santa Rosa's Condominium Conversion Ordinance, a Conditional Use Permit / Design Review application and associated fees are also required.

## **NOTIFICATION OF CONVERSION**

The displacement of existing tenants is a major consideration in conversion from rental to ownership housing. State law requires tenant notification prior to conversion:

1. Tenants and those applying to rent a unit are to be provided written notice of the intent to convert to ownership 60 days prior to the filing of a Tentative Subdivision Map. See Section 66452.8 and 66452.9 of the Subdivision Map Act for specific noticing requirements.
2. Each tenant shall receive notice within 10 days of approval of a final map.
3. Each tenant must receive written notice of the intent to convert to condominiums at least 180 days prior to the termination of tenancy.
4. Each tenant must receive 10 days' written notice that a public report has been or will be filed with the Department of Real Estate and is available upon request.
5. Each tenant shall be given notice of an exclusive right to purchase his or her unit. This right shall run for at least 90 days from the date of issuance of the subdivision public report issued pursuant to Section 11018.2 of the Business and Professions Code.

The City of Santa Rosa also provides the following public notice regarding the Tentative Map proposed to convert the units to condominiums:

1. A notice of application to property owners within 300 feet of the proposed subdivision.
2. A notice to each tenant 10 days prior to the public hearing regarding the proposed subdivision.
3. A staff report to the subdivider and each tenant 3 days prior to the public hearing.
4. A notice of project approval to property owners within 300 feet of the subdivision.

#### **SANTA ROSA'S CONDOMINIUM CONVERSION ORDINANCE**

Projects built or issued a building permit to build prior to April 1979 are also subject to the provisions of Santa Rosa's Condominium Conversion Ordinance (No. 1991).

Specific submittal requirements are outlined in the Ordinance (attached), but generally include site plan, elevations and proposed covenants, conditions and restrictions. Conversions under the Ordinance are allowed by Conditional Use Permit only if the rental vacancy rate is at three percent or above.

Considerations outlined in the Ordinance include: provision of adequate parking, private and recreational open space, noise from mechanical equipment, provision of utilities and undergrounding of utility wires.

#### **OTHER CONSIDERATIONS**

Projects must comply with other regulations now in effect, including:

Zoning Code. A condominium conversion is not generally required to comply with current zoning requirements. A rezoning may be required in certain circumstances.

Building Code. The applicant must obtain a building inspection by a City inspector to determine if any substandard housing conditions exist in the building. If so, those conditions require correction prior to final map recordation. The City inspection fee is based on the time needed to inspect the structure(s). In addition, the applicant will be required to comply with Chapter 11A of the California Building Code, which addresses accessibility. This could include new or reconstructed paths, ramps and accessible parking spaces. Electrical, plumbing and mechanical systems may also be reviewed to ensure they are to code. Separate water heaters for each dwelling will be required.

Requirements differ depending on whether the project includes land ownership or airspace. Projects including land ownership will be required to have separate foundations and easements for utility services such as sewer, water, gas, electricity and telephone.

General Plan. The General Plan consistency requirement of the Map Act (66473.5) does not apply to subdivisions of airspace in an existing structure, unless new units are being added.

Utilities. Depending on the specific circumstances, separate water meters may be required to be installed for each unit. A separate irrigation meter may be required if not already existing, and a demand fee may be applicable. Back flow devices and fire sprinklers may be required if the existing structure is three or more stories.

Non-City Utilities. Applicants should contact Pacific Gas and Electric, SBC Telecommunications and Comcast Cable to determine any specific requirements.

Fire Code. The Fire Code treats multifamily units similarly to condominium units. If the units are older and were built under a prior Code, some new requirements may apply.

Impact Fees. With the exception of park fees, impact fees are not charged for subdivision of existing units. With park fees, the increment between the fee for a single family attached and a multifamily unit is applicable.

Homeowners' Associations. A Homeowners' Association will need to be established to ensure maintenance of common areas including roads, recreational amenities and landscaping. The State Department of Real Estate reviews the legal framework of the new common ownership development to ensure compliance with the law as part of the public report process discussed on page 1. The City also reviews proposed covenants, conditions and restrictions.

NOTE: Specific requirements will vary depending on the characteristics of each project. Other laws, regulations and requirements may apply.

ORDINANCE NO. 1991

AN ORDINANCE OF THE CITY OF SANTA ROSA ADDING CHAPTER 5 TO APPENDIX B, ZONING ORDINANCE OF THE SANTA ROSA CITY CODE, REGULATING CONDOMINIUM CONVERSION

THE PEOPLE OF THE CITY OF SANTA ROSA DO ENACT AS FOLLOWS:

Section 1. Chapter 5 - Condominium Conversions is hereby added to Appendix B, Zoning Ordinance of the Santa Rosa City Code to read and provide as follows:

CHAPTER 5

CONDOMINIUM CONVERSIONS

Article I. Purpose and Definitions

Section 701. Purpose.

(a) Condominiums, community apartment projects, stock cooperatives, and planned unit developments provide for individual ownership of separate dwelling units which usually are in a high density residential setting. The area surrounding the dwelling units is a common area that is normally managed and maintained by the individual owners of dwelling units in accordance with a homeowner's or property owner's association agreement. This hybrid ownership, that mixes individual ownership and ownership in common, magnifies the impact upon the public health, safety, welfare, convenience, and economic prosperity of the larger community when conditions of poor land use and site planning, mismanagement, neglect, and blight are allowed to occur. Additionally, the conversion of existing apartment and other multi-family dwelling structures into condominiums, stock cooperatives, community apartments, and planned unit developments has the potential of displacing long-term residents, particularly senior citizens and families with school age children, who may be required to move from the community due to a shortage of replacement rental housing.

(b) The City of Santa Rosa seeks to avoid the unique problems that beset conversion of apartment projects and it further seeks to provide and insure a reasonable balance of rental and ownership housing in the City and a variety of individual choices of tenure, type, price, and location of housing, and to maintain a supply of rental housing for all economic segments of the population.

(c) The City of Santa Rosa finds and determines that condominiums, community apartments, stock cooperatives, and planned unit developments differ from apartments in numerous respects and, for the benefit of public health, safety, and welfare, such projects should be treated differently from apartments. The City Council, therefore, states its express intent to treat such projects differently from apartments and like structures and to adopt condominium conversion regulations for the protection of the community, displaced tenants and the purchasers of condominiums.

(d) This ordinance is enacted to insure that proposed conversions are approved consistently with policies and objectives of the City of Santa Rosa, particularly the following:

- (1) To make adequate provision for the housing needs of all economic segments of the community;
- (2) To facilitate inhabitant ownership of residential units, while recognizing the need for maintaining adequate rental housing inventories in the high-density urban setting;
- (3) To provide a reasonable balance of rental and ownership housing;
- (4) To inform prospective conversion purchasers regarding the physical conditions of the structure offered for purchase.

Section 705. Applicability.

This Chapter shall apply to all existing buildings and to buildings not yet built for which a permit for building has been issued by the Building Division of the Department of Community Development of the City of Santa Rosa prior to the effective date of this ordinance. Buildings for which a permit for building has been issued after the effective date of this ordinance shall be allowed to convert to a form of ownership for residential purposes involving the right of exclusive occupancy, or separate ownership of individual units, including but not limited to condominiums, community apartment projects, stock cooperatives, planned developments, solely by complying with the statutes, ordinances, rules and regulations for new construction of such buildings effective that date.

Section 710. Definitions.

For the purpose of this Chapter, the following definitions shall apply:

(a) Association. Association is the organization of persons or entity which owns a unit or units in a condominium project or right of exclusive occupancy in a community apartment and every such owner shall be a member of the Association.

(c) Common Area. Common area is an entire condominium project excepting all units therein.

Community Apartment Project. A project in which an undivided interest in the land is coupled with the right of exclusive occupancy of any apartment located thereon.

Condominium. An estate in real property consisting of an undivided interest in common in a portion of a parcel of real property, together with a separate interest in space in a building on such real property, such as a residence, apartment, or apartment house. A condominium may include, in addition, a separate interest in other portions of such real property and is more particularly defined in Civil Code Section 783.

Condominium Conversion Project. The conversion or subdivision of a single ownership parcel of existing improved real property, including but not limited to a structure containing two or more dwelling units, into a form of ownership for residential purposes involving the right of exclusive occupancy or separate ownership of individual units, including but not limited to condominiums, community apartments, stock cooperatives or planned unit developments (hereinafter PROJECT).

(d) **Developer.** Developer is the owner or subdivider with a controlled proprietary interest in the proposed condominium project.

(o) **Organizational Documents.** Organizational documents are the Declaration of Covenants, Conditions, and Restrictions; Articles of Incorporation, By-Laws, and any contracts for the maintenance, management, or operation of all or any part of the project.

(p) **Project.** Project as used in this Chapter refers to condominium conversion project.

**Planned Development.** A planned development essentially consists of separate lots and common areas or reciprocal interests or restrictions upon separately owned lots and is more particularly defined in Section 11003 and Section 11003.1 of the California Business and Professions Code and subsequent amendments thereto.

(r) **Recreational Open Space.** Recreational open space is an undivided interest in common in open space on the project (exclusive of the required front setback area and any area fenced for the use of an individual unit) which shall be used exclusively for leisure and recreational purposes, for the use and enjoyment of occupants and their visitors of units on the project and to which such occupants and their visitors shall have the right of use and enjoyment. Accessory structures such as swimming pools, recreational buildings, and landscaped areas are examples of uses of recreational open space.

(s) **Stock Cooperative.** A stock cooperative is a corporation formed for the purpose of holding title to improved real property with shareholders receiving the right of exclusive occupancy in a portion of the real property and is more particularly defined in Section 11003.2 of the California Business and Professions Code.

(t) **Tenant.** A person who rents, leases or subleases, through either a written or oral agreement, real property from another.

(u) **Unit.** Unit is the element of a condominium conversion project which is not owned in common with the other owners of the project, or is an apartment in a community apartment project or stock cooperative to which an owner of an undivided interest in common in a community apartment project has a right of exclusive occupancy.

## Article II. Requirements

### Section 720. Use Permit Required.

No condominium conversion project shall be permitted in the City of Santa Rosa unless and until a use permit has been applied for and issued pursuant to and in accordance with the provisions of the Santa Rosa City Code: Appendix B: Zoning Ordinance.

### Section 721. Use Permit Application.

In addition to such other application requirements as the Planning Commission may deem necessary, no application for a project shall be accepted for any purpose unless the application includes but is not limited to the following:

(a) Sufficient copies of plans illustrating the following details shown to scale:

- (1) Site plan illustrating the location of buildings, parking areas, circulation system, recreational facilities, open space, patios, etc.;
- (2) Floor plans for each unit type;
- (3) Fully dimensional elevation plans of the structures, showing the architectural features and types and materials for construction;
- (4) Landscaping and irrigation plans illustrating the existing system and any proposed modifications and a statement specifying the manner by which the landscaping areas shall be maintained.
- (5) The location, structural section, and type of surfacing for all driveways, pedestrian ways, vehicle parking areas, curb cuts and storage areas.
- (6) The location, height, and type of materials for exterior walls or fences.
- (7) The location and description of all recreational facilities and a statement specifying the method of the maintenance thereof.
- (8) The location, size and number of parking spaces to be used in conjunction with each condominium unit for residents and guests.
- (9) The location, type and size of all drainage pipes and structures.
- (10) The location, type and size of all on-site and adjacent overhead and underground utility lines.

(b) Sufficient copies of the proposed covenants, conditions, and restrictions which will apply to the proposed development which include:

- (1) Provisions subject to approval of the City Attorney for the maintenance of the common areas and exterior of all structures and walls of any such project.
- (2) A statement that the City has the right but not the duty to enforce said Conditions, Covenants and Restrictions (CCR's) in the event of default in the maintenance of such areas by individual owners of the units and costs, including attorney's fees incurred thereby shall be reimbursed to the City.
- (3) Provisions establishing each individual unit owner's exclusive right to the use of designated parking spaces for each unit.
- (4) Provisions for separate storage area, if any, for each unit for inside and outside storage of recreation vehicles consisting of boats, trailers, etc., and any other material.

- (5) A statement that compliance with the City's tree removal ordinance is required notwithstanding a Planned Unit Development.

(c) A list prepared under declaration of penalty of perjury by Developer, including but not limited to the names and addresses of all tenants residing in the project proposed to be converted to condominiums at the time the application is filed, including but not limited to, commencement and expiration dates of the leases of said tenants and total number of project occupants.

(d) Sales information: Anticipated range of sales prices of individual dwelling units based on information known at the time of application; anticipated terms of sale to existing tenants; and a statement as to whether sales will be permitted to families with minor children.

(e) A building elements report describing in detail the condition and useful life of including but not limited to the following:

- (1) Electrical, plumbing, and structural elements of all existing buildings and structures. For structures constructed prior to 1953, the report shall address compliance with Section 6.409.820, et seq. of the Santa Rosa City Code. Such report shall be prepared by a registered civil or structural engineer, licensed contractor, or a licensed architect for the applicable portion of the report.

(f) A descriptive report containing acoustical test data which indicates the noise attenuation characteristics of existing party walls, floors and ceilings including but not limited to a sampling of at least ten percent (10%) of the dwelling units involved, but in no case fewer than two dwelling units. Such report shall be compiled by a qualified person experienced in the field of acoustical testing and engineering as determined by the Community Development official. The report shall provide a comparative analysis of the test data as it relates to state and local noise attenuation requirements.

(g) Additional information as determined necessary by the Director of Community Development.

#### Section 722. Notification.

(a) Written notices shall be mailed to all tenants at least five (5) days prior to the submission of the application to the Department of Community Development. The applicant shall provide the Department with affidavits or declarations under penalty of perjury of said notice at the time of the application.

(b) Written notices shall be posted by the Department of Community Development in a conspicuous location on the site of the proposed condominium conversion and shall be mailed by the Department of Community Development, first-class prepaid postage to all tenants residing in the proposed condominium conversion project not less than ten (10) days prior to any hearing by the Planning Commission or the City Council concerning the project. Such notices shall provide, at least, the following:

- (1) The date, time, place and purpose of the hearing.
- (2) That should the use permit for the conversion project be approved, the property owner may require the tenants to vacate (move from) the premises.
- (3) That should the use permit for the conversion project be approved, the property owner shall give according to all applicable laws, all tenants a minimum one-hundred twenty (120) days' notice of termination of their tenancy, together with the exclusive right of first refusal to purchase a unit.

- (4) That all information and reports furnished by the Department of Community Development pursuant to this Chapter shall be on file for public inspection during reasonable business hours in the Department of Community Development.

#### Section 723. Conditions for Approval of Use Permit.

(a) The Planning Commission shall evaluate information regarding the vacancy rate for rental units in the City of Santa Rosa. A rental vacancy rate below 3% shall constitute a housing emergency situation and shall preclude any processing of applications for conversions of apartment buildings. The rental vacancy rate shall be calculated periodically by the Department of Community Development which may be supplemented by a report by a qualified marketing survey research firm submitted by an applicant for review by the staff and the Planning Commission.

(b) The Planning Commission may approve use permits for Condominium Conversion Projects subject to but not limited to the following considerations:

- (1) Off-street parking. Compliance with the off-street parking requirements as required by (a) the underlying zone category or (b) Article 16.1 of the Zoning Ordinance, whichever is the more restrictive. Additional parking may be required if either subparagraph (A) or (B) is inadequate as determined by the Planning Commission.
- (2) Private open space. An outdoor private area shall be provided contiguous with each residential ground level unit.
- (3) Recreational open space. Recreational facilities or recreational open space shall be reviewed for its adequacy for the development.
- (4) All permanent mechanical equipment, including domestic appliances, which are determined by the Building Official to be a potential source of vibration or noise, shall be installed or modified as approved by the City Building Official to lessen the transmission of vibration and noise.
- (5) (a) A shut-off valve for each utility shall be provided for each unit.

(b) The consumption of gas, electricity, and Cable T.V. within each dwelling unit shall be separately metered so that the unit owner can be separately billed for each utility except that upon determination by the Building Official that such separate metering valve would not be practicable at the time of the use permit approval, the Building Official may approve an equivalent alternative metering system.

(c) The consumption of water shall either be by master meter or separate meters and shall be determined by the Office of the City Engineer. All additional water connection fees shall be payable prior to City approval of the condominium final map.

(d) Sewer facilities shall be converted subject to the requirements of the Uniform Building Code and shall connect to the City system by a manhole connection at the front property line. The City's maintenance responsibilities shall terminate at the manhole junction at the property line. All additional sewer connection fees shall be payable prior to City approval of the condominium final map.

- (6) All systems of the structures, including but not limited to structural, electrical, plumbing, mechanical, fire and life safety shall comply with all applicable statutes, ordinances, rules and regulations.

- fire wall*
- (7) Each dwelling unit shall have a separate hot water heater unless there is one central circulating water heating system serving all dwelling units on the property and such system shall provide sufficient capacity to serve all dwelling units. The Chief Building Official shall determine that said heating system is adequate.
  - (8) All on-site and adjacent overhead utility service lines and poles of the condominium conversion project, shall comply with Chapter 22 of the Santa Rosa City Code regarding underground utilities.
  - (9) Each unit shall be separated from adjacent units by two, one-hour fire walls or an approved automatic fire sprinkler system installed and approved by the City of Santa Rosa Fire Department. Alternate methods which achieve a two-hour equivalency rating may be considered if approved by the Santa Rosa Fire Department.
  - (10) All dwelling units shall comply with current statutes, ordinances, rules and regulations for energy conservation, sound transmission control and fire detection systems that apply to new residential construction except that the Building Official may approve an alternative material, method, or work provided he determines and finds that such alternative material, method or work offered is at least equivalent to that prescribed by the applicable statutes, ordinances, rules and regulations in quality, strength, effectiveness, fire resistance, durability and safety.
  - (11) All tenants of the proposed condominium conversion project shall be given at least one hundred twenty (120) days advance written notice including but not limited to the following:
    - (a) Termination of their tenancy subsequent to Planning Commission approval of the use permit; and
    - (b) The exclusive right of first refusal to purchase a unit at the time said units are offered to the general public and upon at least as favorable terms and conditions as said units are first offered to the general public.
  - (12) The developer shall mail written notice to all tenants residing in the project within fifteen (15) days after approval of any condominium conversion project. Such notice shall state all of the conditions of approval of the use permit for the condominium conversion project.
  - (13) All projects shall receive Design Review Board approval. Such review shall focus on but is not limited to the upgrading of the project, the functional design of the site, adequacy of landscaping, color scheme, materials and other issues deemed appropriate by the Design Review Board.
  - (14) The developer shall provide to the purchase of a unit(s) an adequate certificate as determined by the City Attorney of insurance, guaranty or warranty covering the operation and usability of all elements of the building, including but not limited to the structural, mechanical, electrical, plumbing, roofing elements and appliances for a period of not less than one year from the date of final building permit approval and shall declare under penalty of perjury that such certificate has been so provided.

Section 2. Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this article or any part thereof is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this article or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or paragraph thereof, irrespective of the fact that anyone or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional.

Section 3. This ordinance shall be in full force and effect from and after its adoption and publication or as soon thereafter as all precedents of law have been satisfied.

IN COUNCIL DULY PASSED this 3rd day of April, 1979.

AYES: (4) Mayor Born, Councilmen Barone, Healy and Wilhelm

NOES: (1) Councilman Guggiana

ABSENT: (0)

APPROVED: Donald M. Born

Mayor

ATTEST: Marion McCross

Assistant City Clerk

APPROVED AS TO FORM:

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City Attorney

COUNCIL POLICY

Subject:	Policy Number	Effective Date	Number of Pages
DESIGN POLICY FOR PROPOSED SINGLE-FAMILY RESIDENTIAL AND PLANNED UNIT DEVELOPMENT PROJECTS	200-06	4/26/83	1 of 2

It is the policy of the City of Santa Rosa that the following apply to proposed condominium, planned unit development, community apartment and stock cooperative projects in the downtown core area, or multiple-family (rental) residential duplex, triplex, and apartment projects.

DEVELOPMENT GUIDELINES

A. Site Planning Considerations

1. Development proposals shall comply with the applicable policies of the Subdivision Design Guide.
2. Development proposals shall attempt to create "mini-neighborhoods," where appropriate.
3. Units shall be designed and sited to avoid a "barracks-like" appearance.
4. Units shall be sited and designed to encourage individual identity and privacy.

B. Provision of Open Space

"Private" and "Common" usable open space shall be provided in condominium and planned unit development residential developments.

1. Private Open Space

Private usable open space for each dwelling unit should be directly accessible from the unit, and should be big enough to permit outdoor living opportunities.

The design and development of private open space is to provide for outdoor living opportunities directly accessible to each unit. Each development shall comply with the following:

- a. A minimum of 150 square feet shall be provided contiguous to each residential unit. Ground level private open space must include a minimum of 10 feet. Balconies with a minimum dimension of 6 feet may be calculated toward private open space requirements.
- b. For units above ground level or where it can be clearly demonstrated by the applicant as being practically infeasible, an equivalent amount of common recreational space shall be provided in lieu of private open space.

2. Common Open Space

The location of common open space areas should take into account the prevailing winds and sun orientation. Common areas should be readily accessible from all buildings, and should be integral to the on-site pedestrian system.

The design and development of common open space is to visually and physically integrate outdoor uses with residential living areas and, as such, provide for either active or passive recreational enjoyment. Each development shall comply with the following:

- a. A minimum of 35% of the living area shall be provided in common and private open space for projects of three acres or less, or less than 45 units.
- b. A minimum of 35% of the living area shall be provided in common open space for projects greater than three acres or 45 units.

COUNCIL POLICY

Subject:	Policy Number	Effective Date	Number of Pages
DESIGN POLICY FOR PROPOSED SINGLE-FAMILY RESIDENTIAL CONDOMINIUM AND PLANNED UNIT DEVELOPMENT PROJECTS	200-06	4/26/83	2 of 2

- c. For purposes of this policy, living area shall be defined as follows:
  - (1) Those spaces which are fit for human habitation and do not include garages, carports, common stairways, and accessory buildings. All floors are to be counted.
- d. Minimum common open space area shall be provided as follows:
  - (1) Common open space includes all areas with minimum dimensions of ten feet. Examples of areas which may be considered include recreation areas, creek setbacks, paved courtyards, and similar areas.
  - (2) Areas which may not be considered as common open space include front, rear and side yard setbacks, vehicular circulation, parking, trash areas, private open space, and areas within a minimum dimension of less than ten feet.

C. Parking Standards (Supplementing the City of Santa Rosa Parking Ordinance No.2151)

- 1. Recreational vehicle parking shall be provided in common storage areas, unless specifically prohibited on the site by the project Conditions, Covenants and Restrictions.
- 2. Attached garages or carports which propose to have a tandem parking area shall have a twenty foot setback from the travelway (back of curb), or twenty feet back of sidewalk, whichever is applicable. Attached garages or carports which do not propose to provide tandem parking must have driveways which are not greater than five feet in depth.

D. Meters

The consumption of gas, electricity and cable television within each dwelling unit shall be separately metered so that the unit owner can be separately billed for these utilities. A shut-off valve for each utility shall be provided for each unit. Water metering shall be as determined by the City Council policy on water metering.