



Information Item

Date: July 20, 2016

To: Mayor and City Council

From: David Martin, Director of Planning & Community Development

Subject: Transmittal of Occupancy Permit Determination for Property at 301 Ocean Avenue (15ENT-0353).

Introduction

Attached for Council's information is a copy of an Occupancy Permit determination for the property at 301 Ocean Avenue. The subject property is located within the R4 (High Density Residential) zoning district and was developed with two detached buildings with a total of 47 rent-controlled units. Selected number of units were withdrawn from the rental market in 2008 and 2009, pursuant to the Ellis Act. By March 17, 2009, all units on the property were withdrawn. Both buildings are being remodeled and reconfigured and will be returned to the rental market as a 38-unit property. According to SMMC Section 4.32.130(a), no property or rental units which have been withdrawn pursuant to the Ellis Act shall be subsequently occupied unless an Occupancy Permit is obtained.

Discussion

The current property owner of the 47-unit apartment building located at 301 Ocean Avenue purchased the property on May 17, 2013. The property had been in the rental market until March 17, 2009, when all 47 units were withdrawn from Rent Control

pursuant to the Ellis Act. Rent Control Board staff verified that the property was vacant prior to Rent Control Board certification of the withdrawal. Pursuant to SMMC Section 4.32.130(c)(1), no more than one unit on the property can be occupied by owners of the property. 301 Ocean Avenue will not contain an owner-occupied unit. In such situation, other units on the property may be occupied provided such occupants do not have any ownership interest in the property and do not pay rent as defined in Section 1801(f) of the City Charter. The Rent Control Board has certified that the owner has complied with the requirements set forth in Government Code Sections 7060.2 and 7060.4 and with applicable regulations promulgated by the Rent Control Board. The application for Occupancy Permit 15ENT-0353 at 301 Ocean Avenue conforms to the provisions of the Government Code and local ordinance.

The property owner originally applied for an Occupancy Permit on December 29, 2015. The Rent Control Board did not consider the request to re-rent the 38 units until June 7, 2016, upon request from the property owner, so that that the remodeling of the buildings was closer to completion. Since more than five years has passed since the units had been withdrawn, the rent at which the units are being re-offered is no longer controlled by the rent at the time they were withdrawn.

The determination granting Occupancy Permit 15ENT-0353 was issued on July 20, 2016. Pursuant to SMMC Section 4.32.130(c)(4) the Planning Director shall make a written report to the Planning Commission and the City Council within five days of approving an Occupancy Permit.

According to SMMC Section 4.32.130(c)(4), the decision approving this Occupancy Permit may be appealed to the Planning Commission in accordance with the provisions in SMMC Section 9.37.130. Any decision of the Planning Commission may be further appealed to the City Council in accordance with the same provisions.

Prepared by: Rathar Duong, Associate Planner

Attachments: A. Occupancy Permit Determination
B. Occupancy Permit Application

cc: Planning Commission

ATTACHMENT A
OCCUPANCY PERMIT DETERMINATION



CITY OF SANTA MONICA
CITY PLANNING DIVISION

OCCUPANCY PERMIT DETERMINATION

Case Number:	Occupancy Permit No. 15ENT-0353
Address:	301 Ocean Avenue
Zoning:	R4 (High Density Residential)
General Plan:	High Density Residential
Proposed Use:	The applicant proposes to reoccupy a remodeled 38-unit, multi-family residential building. The subject property was previously a 47-unit rent-controlled property and has been reconfigured to provide a total of 38 rental units in accordance with the Ellis Act.
CEQA Status:	The project is statutorily exempt pursuant to Section 15268 (Ministerial Projects) of the California Environmental Quality Act.
Applicant:	301 Ocean A LLC, 301 Ocean B LLC and 301 Ocean C LLC
Rent Control Status:	The property was withdrawn from the rental market under the Ellis Act in 2008 and 2009. The Rent Control Board has certified that the owner has complied with the requirements set forth in Government Code Sections 7060.2 and 7060.4 and with applicable regulations promulgated by the Rent Control Board.

Comments/Conclusion: The applicant proposes to remodel and reconfigure a 47-unit rent-controlled property into a 38-unit property and return it to the rental market in accordance with the Ellis Act. The Rent Control Board staff has reviewed the application and verified that the property is vacant. Subsequent to approval of the Occupancy Permit, building permits will be secured for interior and exterior modifications.

Determination

Pursuant to Santa Monica Municipal Code (SMMC) Section 4.32.130(c)(1), the Planning Director finds that none of the units on the property will be occupied by owners of the property. In such situation, other units on the property may be occupied, provided such occupants do not have any ownership interest in the property and do not pay rent as defined in Section 1801(f) of the City Charter.

The application for Occupancy Permit No. 15ENT-0353 is:

Denied

Subject to separate administrative or discretionary review.

Granted with the following conditions.

CONDITIONS

1. Within ten (10) days of transmittal of City Planning Division approval, the applicant shall sign the Occupancy Permit determination prepared by the City Planning Division.
2. No property or rental units therein which have been withdrawn pursuant to the Ellis Act, Government Code Sections 7060 et seq., shall be subsequently occupied unless an occupancy permit is obtained in accordance with the provisions of this Section.
3. Failure to comply with the conditions shall constitute grounds for revocation of the permit approval. Failure to comply with this condition shall constitute grounds for permit revocation, pursuant to SMMC Section 9.39.040.

Determination by: Jing Yeo, AICP, Zoning Administrator Date: 7/20/16

Case Planner: Rathar Duong, Associate Planner

EFFECTIVE DATE OF ACTION: _____

Acknowledgement by Permit Holder

I agree to the above conditions of approval and acknowledge that failure to comply with any and all conditions shall constitute grounds for potential revocation of the permit approval.

Signature

Date

Print name here

ATTACHMENT B
OCCUPANCY PERMIT APPLICATION



CITY OF SANTA MONICA – CITY PLANNING DIVISION
**OCCUPANCY PERMIT APPLICATION
 FOR OCCUPANCY OF PROPERTY FOLLOWING
 WITHDRAWAL PURSUANT TO THE ELLIS ACT**

This part to be completed by City staff

Application Number(s)

15 ENT-0353

Filing Date: 12-29-15
 Fee: \$ 292.00
 Receipt#: 284130
 Received by: D. BANKS

Once a property has been withdrawn from the rental market under the procedures set forth in Government Code Sections 7060 et seq., there are specific requirements that must be met in order for the property to be subsequently occupied. The Planning Division is responsible for reviewing and acting upon occupancy applications. Any interested party can appeal the Planning Division's decision to the Planning Commission, and then to the City Council, in accordance with Subchapter 9.04.20 Part 9.04.20.24 of the Santa Monica Zoning Ordinance. Appeal forms can be obtained at the City Planning counter.

****REQUIRED FILING MATERIAL: PROVIDE A COPY OF THE GRANT DEED FOR SUBJECT PROPERTY****

PART 1 GENERAL INFORMATION

PROPERTY ADDRESS: 301 Ocean Avenue

Land Use Element District: High Density Housing Zoning District: R4

Legal Description (Lot, Block, Tract) See attached.

APPLICANT 301 Ocean A LLC; 301 Ocean B LLC; 301 Ocean C LLC
 Name: c/o Marquis Property Co. LTD

Address: 29169 Heathercliff Road, #212, Malibu CA 90265 Phone: 310-457-3606

Email: N/A

PROPERTY OWNER 301 Ocean A LLC; 301 Ocean B LLC; 301 Ocean C LLC
 Name: c/o Marquis Property Co. LTD

Address: 29169 Heathercliff Road, #212, Malibu CA 90265 Phone: 310-457-3606

Email: N/A

ATTORNEY
 Name: Kevin V. Kozal, Harding Larmore Kutcher & Kozal

Address: 1250 Sixth Street, Suite 200, Santa Monica CA 90401 Phone: 310-451-4138

Email: kozal@hlkklaw.com

**PART 2 WITHDRAWAL COMPLETE
RENT CONTROL BOARD CERTIFICATION (staff use only)**

<u>10, 14, 15, 19, 20, 25, 27, 28, 30, 33, 35, 42, 46</u> Units	<u>7/15/08</u> Date of withdrawal	
<u>2, 3, 6, 11, 21, 23, 24, 26, 32, 44</u> Unit identification	<u>1/15/09</u> Date of withdrawal	
<u>1, 4, 5, 7, 9, 12, 12A, 16, 17, 18, 22, 29, 31, 34, 36*</u> Unit identification	<u>3/17/09</u> Date of withdrawal	
<u><i>Rahmanesh Jain</i></u> Rent Control Signature	<u>Staff Attorney</u> Title	<u>6/7/16</u> Date Signed
<u>* 37, 38, 39, 40, 41, 43, 45, 47</u>		

PART 3 SITE CHARACTERISTICS

Number of Existing Units: 47	Number of Units at site prior to exercise of Ellis Act: 47		
Number of Studio Units: 10	1-BR Units: 27		
2-BR Units: 10	3-BR Units: 0		
4-BR Units: 0	5+BR Units: 0		
Number of Units at site to remain if intended use is approved: 38			
List unit size(s):	See attached.		
Number of Parking Spaces:			
Existing 42	Standard 42	Compact 0	Tandem 0
Proposed 50	Standard 50	Compact 0	Tandem 0

Description of all intended on-site uses. Include description of any units to remain vacant:
 The property is being returned to rental housing use. The original 47 units are being reconfigured with some units being combined so that the total number of units being returned is 38. This has been authorized by Santa Monica City Building Permit No. 15BLD-0834, which revises Building Permit No. 14CBP-0401

If the existing structure(s) will be altered significantly, please specify proposed alterations:
 The existing units are being refurbished and remodeled pursuant to City issued permits including Santa Monica City Building Permit Nos. 15BLD-0834 and 14CBP-0401. Some units are being combined so that the total number of units being returned is 38 (as opposed to the 47 individual units which had previously existed in the buildings).

PART 4 INTENDED OCCUPANCY CHARACTERISTICS

To be filled in if this application is for residential occupancy

Applicants who wish to use the property for residential purposes must complete the following:

- 1. a.) Will a unit be occupied by the owner? Yes No
- b.) Which unit will be so occupied N/A unit #
- c.) Owner's name N/A
- d.) Will any of the other units be occupied? Yes No
- e.) List the name(s) of the person(s) other than owner who will be occupying the units and which units will be so occupied:

Name	Unit No.
Unknown. The property is being returned pursuant to the Ellis Act and Santa Monica Rent Control Board requirements. If prior tenants timely request an offer, they will be offered a unit at market rent. Otherwise the units will be offered for rent to members of the general public at market rents.	

No more than one unit may be occupied by an owner of the property. The owner can have other persons living in the other units, provided those persons do not have any ownership interest in the property and do not pay rent.

- 2. Will the property be returned to use as multi-family rental housing? Yes
If yes, then the Rent Control Certification below must be completed.
- 3. Will the property be used as a Cooperative Apartment? No
If Cooperative is proposed for the property, Subdivision Map and Conditional Use Permit are also required in addition to this application (see below).

FOR MULT-FAMILY RENTAL HOUSING – RETURN WITHDRAWN UNITS TO RENTAL MARKET RENT CONTROL BOARD CERTIFICATION (to be completed by Board Staff Member)

The applicant has complied with requirements set forth in the Government Code Sections 7060.2 and 7060.4 and with applicable regulation promulgated by the Rent Control Board.

Akhamanesh Mortezaie 6/7/16
 Name Date
Staff Attorney
 Title

FOR COOPERATIVE APARTMENTS ONLY:

Has a subdivision map been obtained in accordance with Chapter 3 of Article IX of the Santa Monica Municipal Code? Yes No

Please provide the Tentative Tract Map (TTM) or Parcel Map number and the date of its approval:
Date of Approval _____ TTM No. or Parcel Map No. _____

Date of approval for the Final Tract Map: _____

LEGAL DESCRIPTION OF LAND
(301 Ocean Avenue, Santa Monica)

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

LOTS 22 AND 23 IN BLOCK "K" OF THE PALISADES TRACT, IN THE CITY OF SANTA MONICA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8, PAGE 32 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN. 4293-003-021

301 Ocean Ave Santa Monica

Current Unit#	Prior Registered Unit #	Current # Bed&Bath	Sq Ft	
A101	1	2BD/2BA	1206	
A102	2	2BD/1BA	935	
A103	3	2BD/1BA	948	*
A104	4	2BD/1BA	948	
A105	5	Studio	489	*
A106	6	1BD/1BA	923	
A107	7	1BD/1BA	946	
A108	8	Studio	383	
A109	9	Studio	383	
A110	10	Studio	383	
A111	11	Studio	383	
A201	12	2BD/2BA	1188	*
A202	12A	1BD/1BA	904	
A203	14	1BD/1BA	909	*
A204	15	1BD/1BA	909	
A205	16	1BD/1BA	1026	
A206	17	1BD/1BA	955	**
A207	17	1BD/1BA	949	**
A208	18	Studio	383	
A209	19	Studio	383	
A210	20	Studio	383	
A211	21	Studio	383	
B112	22	2BD/2BA	1076	*
B113	24	2BD/1BA	950	
B114	26	Studio	319	
B212	23	2BD/2BA	1153	*
B213	25	2BD/1BA	942	
B214	28/39	2BD/2BA	1268	
B215	29/40	2BD/2BA	1268	*
B216	30/41	2BD/2BA	1268	*
B217	31/42	2BD/2BA	1268	*
B218	32/43	2BD/2BA	1268	*
B219	33/44	2BD/2BA	1268	*
B220	34/45	2BD/2BA	1268	*
B221	35/46	2BD/2BA	1268	*
B222	36/47	2BD/2BA	1274	*
B301	38	2BD/1BA	868	**
B302	38	1BD/1BA	835	**

2 bed	19	868-1274sf
studio	10	319-489sf
1 bed	9	631-1026sf
	<u>38</u>	

*Change in floorplan from original

**Change from original single unit to two separate units