City of
Santa Monica®

Information Item

Date: October 26, 2016

To: Mayor and City Council

From: David Martin, Director of Planning & Community Development

Subject: Transmittal of Occupancy Permit Determination for Property at 1401 Palisades Beach Rd. (16ADM-0049).

Introduction

Attached for Council's information is a copy of an Occupancy Permit determination for the property at 1401 Palisades Beach Rd. The subject property is developed with a ten-unit residential building located in the R2 Low Density Residential zoning district. The applicant proposes to lawfully return the property to the rental market after the withdrawal of the property from the rental market, pursuant to the Ellis Act. According to SMMC Section 4.32.130(a), no property or rental units which have been withdrawn pursuant to the Ellis Act shall be subsequently occupied unless an Occupancy Permit is obtained.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

According to Rent Control Board staff, the property was withdrawn from Rent Control and the rental market on September 12, 2006 via the Ellis Act. The Rent Control Board determined on March 30, 2013 that the previous owner had re-rented units on the property without notification to the Board of the intent to return the property to the rental market. No fines are authorized under the Rent Control Law. After staff concluded that the

property was being offered for rent and/or had been rented based on the investigator's reports, the Board notified the owner that the property had been deemed to be again subject to the Rent Control Law. The owner failed to respond to the Board's correspondence, or pay the assessed registration fees, until late 2013 when an attorney contacted the Board and said that he represented the owner and would prepare a response. However, no response was received, and the property was then sold to a new owner in June 2014. The new owner complied with the Board's regulations before the Board had to file suit to enforce its jurisdiction over the property. The current owner paid the outstanding registration fees, registered the tenancies with the Board and filed the notice to re-rent required by Rent Control Board regulations. No tenant who may have resided on the property in 2013 contacted the Board about their tenancy in response to our correspondence, and the property was vacant when the new owner acquired it in June 2014. The applicant has filed the Occupancy Permit application to complete the lawful return of the property to the rental market.

Pursuant to SMMC Section 4.32.130(c)(2), the property or rental units therein is to be used for multifamily rental housing. Rent Control Board staff has certified that the owner has complied with Government Code Sections 7060.2 and 7060.4 and with applicable regulations promulgated by the Rent Control Board. The application for Occupancy Permit 16ADM-0049 at 1401 Palisades Beach Rd. conforms to these regulations.

The determination granting Occupancy Permit 16ADM-0049 was issued on October 26, 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.

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: Paul Foley, Principal Planner

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

cc: Planning Commission

ATTACHMENT A

OCCUPANCY PERMIT DETERMINATION

City of
Santa Monica℠

CITY OF SANTA MONICA
CITY PLANNING DIVISION

OCCUPANCY PERMIT DETERMINATION

Case Number:	Occupancy Permit No. 16ADM-0049
Address:	1401 Palisades Beach Road (10 units)
Zoning:	R2 - Low Density Residential
General Plan:	Low Density Housing
Proposed Use:	The applicant proposes to return to the rental market a ten-unit residential building 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:	Brian Strange
Rent Control Status:	The property was withdrawn from Rent Control on September 12, 2006. 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 property was withdrawn from Rent Control and the rental market on September 12, 2006 via the Ellis Act. The Rent Control Board determined on March 30, 2013 that the previous owner had re-rented units on the property without notification to the Board of the intent to return the property to the rental market. The current owner purchased the property on June 5, 2014 and paid the outstanding registration fees, registered the tenancies with the Board and filed the notice to re-rent required by Rent Control Board regulations. No previous tenants requested to re-occupy any of the units on the property. The applicant has filed the Occupancy Permit application to complete the lawful return of the property to the rental market.

Determination

The Planning Director finds that pursuant to SMMC Section 4.32.130(c)(2),the property or rental units therein is to be used for multifamily rental housing, and the Rent Control Board has certified that the owner has complied with all requirements and applicable regulations promulgated by the Rent Control Board.

The application for Occupancy Permit No. 16ADM-0049 is:

___ Denied

___ Subject to separate administrative or discretionary review.

_X_ 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 9.37.120.

Determination by: _____ *Date:* 10/26/16
Jing Yeo, Zoning Administrator

Case Planner: Paul Foley, Principal Planner

EFFECTIVE DATE OF ACTION: 11/11/16.

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

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ATTACHMENT B

OCCUPANCY PERMIT APPLICATION

City of Santa Monica

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): 16ADM-0049

Filing Date: May 1

Fee: $

Receipt#:

Received by:

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: 1401 Palisades Beach Road

Land Use Element District: _____ Zoning District: R2B

Legal Description (Lot, Block, Tract) _____

APPLICANT

Name: Brian Strange

Address: 12100 Wilshire Blvd Suite 1900 Phone: 310-207-5055

Email: bstrange@strangeandbutler.com

PROPERTY OWNER

Name: Brian Strange

Address: 12100 Wilshire Blvd Suite 1900 Phone: 310-207-5055

Email: bstrange@strangeandbutler.com

ATTORNEY

Name:

Address: _____ Phone: _____

Email:

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

1401 A-H, 1401 1/2, 1401 3/4	9/12/06
Unit identification	Date of withdrawal
Unit identification	Date of withdrawal

[signature]	Staff Attorney	9/7/16
Rent Control Signature	Title	Date Signed

PART 3 SITE CHARACTERISTICS

Number of Existing Units:	10	Number of Units at site prior to exercise of Ellis Act:	10
Number of Studio Units:	4	1-BR Units:	5
2-BR Units:		3-BR Units:	
4-BR Units:	1	5+BR Units:	
Number of Units at site to remain if intended use is approved:			10
List unit size(s):	SAME AS above		
Number of Parking Spaces:	2 per unit IN public permit parking		
Existing	Standard	Compact	Tandem
Proposed	Standard	Compact	Tandem

Description of all intended on-site uses. Include description of any units to remain vacant:

rent all units: no vacant

If the existing structure(s) will be altered significantly, please specify proposed alterations:

N/A

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 __X__No
   b.) Which unit will be so occupied _____ unit #
   c.) Owner's name _____
   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. _____

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?_____
   If yes, please list owners of undivided interests and their percentage of ownership. A copy of the most recent vesting grant deed must accompany this application.

Name _____ Unit No. _____

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.

Hakhamanesh Morezaie 9/7/16

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:_____.

Cooperative apartment. Pursuant to the City's authority to regulate subdivisions and not regulated by the Subdivision Map Act authorized by Government Code Section 66411, a project of more than four units in which an undivided interest in land is coupled with the exclusive right of occupancy of any apartment located thereon, whether such right is contained in the form of a written or oral agreement, when such right does not appear on the face of the deed.

PART 5 CERTIFICATION

OWNER:

I CERTIFY UNDER PENALTY OF PERJURY that the information contained in this application is correct.

Owner's Signature	5/10/16 Date
N6873220 Driver's License Number and State of Issuance	1/23/21 Expiration Date

OCCUPANT/S

With this signature, I CERTIFY UNDER PENALTY OF PERJURY I will not transfer money, provide services, or offer other forms of compensation to the owner in exchange for residency within the subject property.

Occupant's Signature	Date
Occupant's Signature	Date
Occupant's Signature	Date
Occupant's Signature	Date
Occupant's Signature	Date

F:\CityPlanning\Share\Templates\Applications\Occupancy Permit Application - Ellis Act.doc
Last Modified May, 2011

SANTA MONICA RENT CONTROL BOARD MEMO

Date: September 7, 2016

TO: Paul Foley, Principal Planner

FROM: Hakhamanesh Mortezaie, Staff Attorney

RE: 1401 Palisades Beach Road
Occupancy Permit Application 16ADM-0049

Attached is the original application with Board sign-off certifying compliance with state and Board requirements for withdrawal of units in the subject property from the residential rental market.

1401 Palisades Beach Road is a 10-unit property that was withdrawn from the rental market under the Ellis Act on September 12, 2006. On March 28, 2013, the Board determined that the then-owner of the property had rented units on the property, and had done so without first notifying the Board of his intent to return the property to the rental market. The owner was advised of his obligations under the law but failed to comply. On June 5, 2014, that owner sold the property to the current owner, 1401 Palisades Beach Associates. The new owners paid the outstanding registration fees, registered tenancies with the Board, and filed the notice required by regulation. The Board advised previous tenants of the property of its return to the rental market, and their right to request an offer to re-rent their units. However, because more than five years had passed between the property's withdrawal and its re-rental, the tenants could only re-rent their old units at market rate; and none requested an offer.

cc: Ellis File
Site File

This page is part of your document - DO NOT DISCARD

20140581262

Pages:
0003

Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

06/05/14 AT 08:00AM

FEES:	35.00
TAXES:	21,730.00
OTHER:	0.00
PAID:	21,765.00

LEADSHEET

201406050170017

00009258266

006226890

SEQ:
07

DAR - Title Company (Hard Copy)

THIS FORM IS NOT TO BE DUPLICATED

t01

E145797

RECORDING REQUESTED BY:
Chicago Title Company

AND WHEN RECORDED MAIL TO:

1401 Palisades Beach Associates
12100 Wilshire Blvd. #1900
Los Angeles, CA 90025

06/05/2014
20140581262

THIS SPACE FOR RECORDER'S USE ONLY:

Title Order No.: 111304733

Escrow No.: 500-006869-CN

GRANT DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S)
DOCUMENTARY TRANSFER TAX is $5,830.00 **CITY TRANSFER TAX** $15,900.00
[X] computed on full value of property conveyed, or
[ ] computed on full value less value of liens or encumbrances remaining at time of sale.
[ ] Unincorporated area [X] City of Santa Monica **AND**

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Ocean Front Apartments LLC, a California Limited Liability Company

hereby GRANT(s) to:

1401 Palisades Beach Associates, a California General Partnership

the real property in the City of Santa Monica, County of Los Angeles, State of California, described as:
LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND MADE A PART HEREOF
Also Known as: 1401 Palisades Beach Rd., Santa Monica, CA 90401
AP#: 4291-031-008

DATED May 1, 2014
STATE OF ~~CALIFORNIA~~ NEVADA
COUNTY OF CLARK
On MAY 5, 2014
before me, CARL ROSS,
A Notary Public personally appeared
WILLIAM L. EDWARDS

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.

Signature Carl Ross (Seal)

Ocean Front Apartments LLC, a California Limited Liability Company

By: _____
William L. Edwards, Managing Member

CARL ROSS
Notary Public State of Nevada
No. 04-93270-1
My Appt. Exp. Nov. 5, 2016

MAIL TAX STATEMENTS TO PARTY SHOWN BELOW; IF NO PARTY SHOWN, MAIL AS DIRECTED ABOVE:

3

EXHIBIT "A"

Legal Description

For APN/Parcel ID(s): 4291-031-008

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SANTA MONICA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

LOTS 12 AND 13 OF THE SUNSET BEACH TRACT, IN THE CITY OF SANTA MONICA, AS PER MAP RECORDED IN BOOK 83 PAGE 10 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT ANY PORTION OF SAID LAND FORMED BY ACCRETION BY THE PACIFIC OCEAN WHICH WAS NOT FORMED BY THE DEPOSIT OF ALLUVIUM FROM NATURAL CAUSES AND BY IMPERCEPTIBLE DEGREES.

6

SPL INC.

GOVERNMENT CODE 27361.7

I certify under penalty of perjury that the notary seal on the document to which this statement is attached reads as follows:

Name of Notary :_____

Notary Identification Number :_____

Vender Identification Number :_____

County Where Bond Is Filed :_____

Date Commission Exp :_____

Place of Execution :_____

SPL, Inc. as agent

DATE:_____/_____/_____ _____

Signature

State of California)
County of _____)
On_____before me,_____personally appeared,_____
who proved to me the basis of satisfactory evidence) to be the person (s) whose name (s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her their authorized capacity (ies), and that by his/her/their signature (s) on the instrument the person (s), or the entity upon behalf of which the person (s) acted, executed the instrument.
I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.
Signature

I CERTIFY UNDER PENALTY OF PERJURY THAT THIS MATERIAL IS A TRUE COPY OF THE ORIGINAL MATERIAL CONTAINED IN THE DOCUMENT:

Place of Execution : NORWALK

SPL, Inc. as agent

DATE: 8 / 14 / 15 _____

Signature

Revised 3/6/08 R.1
DR 014 2 Penalties in 1 with 2008 ack R1.doc