

- B. Utilities.** Each new and converted condominium unit shall be provided the following utilities.
1. **Gas.** Separate gas service where gas is a necessary utility. If this provision places unreasonable economic burden on the applicant, the review authority may approve an alternative.
 2. **Electricity.** Separate electrical service, with separate meters and disconnects, and ground fault interrupters where ground fault interrupters are required by the Building Code.
 3. **Communications access.** Each condominium unit shall be provided adequate telecommunications facilities hookups (e.g. television, cable, etc.), as determined by the review authority.
- C. Ownership association.** Prior to the City's authorization for occupancy, the applicant for a new condominium project or condominium conversion shall submit to the City Attorney for review and approval a copy of the Covenants, Conditions and Restrictions (CC&Rs) proposed for the project. The CC&Rs shall include a maintenance program and proposed budget by a homeowner's association or other enforceable means to ensure maintenance of common areas, landscaping, private streets, parking areas, and recreational facilities, including features of common area and facilities that can be reasonably expected to require replacement over the life of the project. A cash deposit shall be paid to the City for the City Attorney's review as determined by the Director.
- D. Conversion permit.** A multi-unit project that was approved and subdivided as a condominium, where individual units were not sold and were instead rented for two or more years shall require the approval of a condominium conversion in compliance with Section 106.42.060 (Condominium Conversion) prior to sale of any units.

106.42.060 - Condominium Conversion

Where allowed by Article 2 (Zoning Districts and Allowable Land Uses), the conversion of existing multi-unit dwellings to condominiums, row houses, town houses, or stock cooperatives, shall comply with the requirements of this Section, in addition to the applicable requirements of Section 106.42.050 (Condominiums)

- A. Application content.** Recognizing that the conversion of existing structures that were previously occupied and constructed as rental units presents unique problems to present tenants and future buyers, the application for a Use Permit for a condominium conversion project shall include the following information in addition to that required by Chapter 106.60.040 (Application Preparation and Filing).
1. The proposed organizational documents, including the Covenants, Conditions and Restrictions to be recorded in compliance with Civil Code Section 1350 et seq. The organizational documents shall provide for:
 - a. The management of common areas within the project, and the complex generally; and
 - b. A maintenance program and proposed budget.
 2. A property report prepared by a licensed architect or structural/civil engineer. A project constructed within three years or less of the application under this Section that was in complete compliance with the Building Code at the time of construction shall be exempt from the property report requirement.
 - a. The report shall describe the condition and estimate the remaining useful life of each of the following elements of each structure situated within the project proposed for conversion: roofs, foundations, exterior paint, insulation, paved surfaces, mechanical systems, electrical systems, plumbing systems, sewage systems, sprinkler systems for landscaping, utility delivery systems, central or community heating and air conditioning systems, fire protection systems including any automatic sprinkler systems, alarm systems, or standpipe systems, structural elements, and drainage systems.

- b. The property report shall indicate the level of sound transmission of the existing floor-to-ceiling and wall-to-wall assemblies for each unit. The report shall explain in non-technical terms, what the sound transmission finding and ratings mean. The report must indicated all measures, if any, the applicant will take to improve sound attenuation between units.
 - c. The property report shall list each fixed appliance to be contained in each or any unit offered for sale and shall state whether the appliance is or will be new or used when the unit is first offered for sale. The report shall also state the terms and nature of the warranty offered by the applicant on each such appliance.
 3. A structural pest control report.
 4. A building history report identifying the date of construction of all elements of the project.
 5. A report identifying all characteristics of the building not in compliance with this ordinance or applicable building or housing codes.
 6. A rental history report detailing the size, in square footage, of the building or buildings and each unit; the current or last rental rate and the name and address of each present tenant. This report should determine if the rental complex is identified as affordable housing at risk in the Housing Element. In addition, evidence shall be submitted that tenants have been notified and have acknowledged the applicant's intent to file a request for conversion. The notification process shall be completed within 30 days of the initial filing of an application for a conversion Use Permit.
 7. A report comparing the conversion project's conformity with the current City Zoning Code and standards on design for multi-family properties.
 8. A report on citywide vacancy rate information from a source acceptable to the City.
- B. **Owners' association.** The developer shall submit to the City Attorney for review and approval a copy of the Covenants, Conditions and Restrictions, which shall include, but shall not be limited to, a maintenance program and proposed budget by a homeowner's association or other enforceable means to ensure maintenance of common areas, landscaping, private streets, parking areas, and recreational facilities. A cash deposit shall be paid to the City for the City Attorney's review as determined by the Director.
- C. **Building inspection.** After reviewing the property report required by Subsection A above, and after inspecting the structures within the project, the Building Official shall identify and make available to the Commission and Council all items evidenced by the reports or inspections to be in noncompliance with applicable building and housing codes or to be hazardous to the life, health or safety of any occupant of the units within the project or the general public. All the items shall be corrected to the satisfaction of the Building Official, prior to final map approval. An appropriate fee to cover the building inspection costs shall be collected.
- D. **Relocation assistance.** The applicant shall prepare a relocation plan for City review and approval. Once the relocation plan is approved it shall be provided to each tenant. The relocation plan shall provide, at a minimum, for the following:
 1. Assistance to each eligible tenant in locating comparable housing, including but not limited to providing available reports on comparable housing and transportation, where necessary.
 2. Payment of a relocation fee of three months rent to each tenant who does not choose to stay. A tenant is not entitled to a relocation fee pursuant to this Subsection if the tenant has been lawfully evicted.
 3. A 60 day notice of termination of tenancy for each tenant.

4. Efforts to minimize disruption of school attendance for existing tenants with K-12 grade school-aged children.

The offer to each eligible tenant of a plan for relocation shall be free of any coercion, intimidation, inducement or promise not herein specified and shall not cause the tenant to vacate in advance of, or prior to, a timetable or schedule for relocation as approved in its application for approval of conversion.

- E. **Preconversion protection.** From the date of the application for a permit to convert, until relocation takes place or the application is denied or withdrawn, whichever occurs sooner, but in no event for more than two years from the date of application for a permit to convert, no tenant shall be unlawfully evicted and no tenants rent shall be increased:

1. More frequently than once every 12 months; nor
2. In an amount greater than the annual increase in the consumer price index for the western region of the United States. This limitation shall not apply if rent increases are expressly provided for in leases or contracts in existence prior to the filing date of the Use Permit.

- F. **Development standards.**

1. **Upgrading existing units.** It is the goal of the City to promote the improvement and upgrading of older housing stock. In seeking to comply with this goal all condominium conversions shall demonstrate, where financially feasible, conformity with the City's current multi-family design guidelines as outlined in the Zoning Ordinance. Efforts to be considered in complying with City design guidelines may include the removal of some existing units in order to provide adequate parking or to provide improved amenities. Applicants shall make improvements and repairs that will ensure the long-term habitability of the conversion.
2. **Limit on annual conversions.** The maximum number of units Citywide that can be converted in one year is 250 units unless a single development has in excess of 250 units.
3. **Affordability requirements.** 20 percent of the units shall be sold as affordable units to persons and families earning 80 percent or less of median income for Sacramento County as determined by the U. S. Department of Housing and Community Development or other comparable source of the information in the event HUD no longer promulgates this data. Units are deemed affordable units if the sales price results in annual mortgage payments that do not exceed 30 percent of maximum income level of persons and families earning 80 percent or less of median income for Sacramento County.
4. **Utilities.**
 - a. **Gas.** Each condominium unit shall have a separate gas service where gas is a necessary utility. If this provision places unreasonable economic burden on the applicant, the appropriate authority may approve an alternative.
 - b. **Electricity.** Each condominium unit shall have a separate electrical service, with separate meters and disconnects, and ground fault interrupters where ground fault interrupters are required by present building codes.
 - c. **Telephone, internet and cable company access.** The telephone, internet and cable companies serving the location under conversion shall have the right to construct and maintain (place, operate, inspect, repair, replace and remove) communication facilities as it may from time-to-time require (including access) in or upon any portion of the common area, including the interior and exterior of the buildings as necessary to maintain communication service within the project. This provision may not be amended or terminated without the consent of the serving company.

- d. **Water.** Each condominium unit shall have a separate water service with separate meters unless the water district allows an alternative service method.
- 5. **Maintenance and repair.** If the CC&Rs do not require the hiring of a professional management company to deal with maintenance and repairs the applicant shall have an affirmative duty to explain how maintenance of the proposed conversion will be maintained.
- G. **Findings required for approval.** The Commission shall not approve a Use Permit for a condominium conversion unless it first finds that:
 - 1. The proposed conversion is consistent with the General Plan and applicable community and specific plans in effect at the time of the Use Permit application and the Zoning Code;
 - 2. The average rental vacancy rate in multiple family units in the city during the 12 months preceding the filing of the application is five percent or higher. This data shall be obtained using a method or source acceptable to the City; and
 - 3. The applicant unconditionally provided to each eligible tenant a copy of the relocation plan.
- H. **Lapse of Use Permit.** If not used for the purpose for which it was granted, an approved Use Permit for condominium conversion shall lapse three years following the date when the permit became effective. Since the regulations related to condominium conversions are unique in that: 1) controlling measures come into place with the filing of the application for the use permit; 2) certain financial obligations related to eligible tenants are imposed; and 3) rental limitations are imposed, a Use Permit shall be deemed in effect if, within three years from the date of approval, a Final Map for subdivision is recorded for all or a portion of the property involved in the Use Permit. The Use Permit will expire 24 months after map recordation if the units are not sold.
- I. **Right to terminate conversion.** Within three years of the approval of a Use Permit for a condominium conversion, or in compliance with Subsection H above (Lapse of Use Permit), after the Use Permit is in effect, the applicant may elect not to pursue the completion of all or part of the approved conversion. Upon the acceptance of a notice of termination by the review authority, along with evidence that all remaining eligible tenants have been notified in writing, the conditional use permit shall be deemed lapsed and void. Acceptance of the notice of termination shall be an administrative authority of the Director. The acceptance shall be by a written notice of acceptance which may be withheld to such time as the Director is assured that any required tenant obligations incurred during the preconversion process have been satisfied.
- J. **Compliance with Permit.** If an existing multi-unit dwelling possesses: (1) a final map for a condominium, rowhouse, town house, or stock cooperative; and (2) a Use Permit for condominium conversion or a related use permit; the owner of the existing multi-unit dwelling shall demonstrate compliance with the terms and conditions of the permit to the Director prior to sale of any unit. If the Director determines that the permit has lapsed, the permit is defective or invalid, or that the project has not complied with the terms of the applicable permit, the Director may refer the permit to the Review Authority for revocation or modification pursuant to Section 106.64.090 (Permit Revocation or Modification).

106.42.070 - Convenience Stores

Where allowed by Article 2 (Zoning Districts and Allowable Land Uses), convenience stores shall comply with the requirements of this Section.

- A. **Permit requirement.** A convenience store is a permitted use in the zones where a convenience store is identified as allowable by Article 2 (Zoning Districts and Allowable Land Uses), except that a Use Permit is required if:
 - 1. The site is less than 500 feet from a residential zone; or