

Date: February, 2019
To: Planning Commission
From: Courtney Pal, Planner I
Via: Kristie Wheeler, Planning Manager
RE: **Residential Condominium Conversion Cap and Unit Allocation Tracking**

The purpose of this memo is to inform the Planning Commission of the current status of used and unused residential condominium conversion unit allocations pursuant to the Zoning Ordinance. This information is also made available to the public on the City’s website and at the Development Services Center. No action is required by the Planning Commission at this time.

Background: Pursuant to Fremont Municipal Code (FMC) Section 18.190.060, the Residential Condominium Conversion Ordinance (“Ordinance”) provides a standard 100 unit conversion allocation, or cap, per calendar year (“CY”). The intent of the standard is to ensure the availability of rental apartment stock by balancing rental and ownership housing within the City. Pursuant to the Ordinance, the Planning Commission is authorized to grant limited discretionary increases above the 100 unit allocation for any particular CY if certain specified conditions are met. Discretionary increases include: 1) potential roll-overs of any unused unit allocations from an immediate prior CY if the apartment vacancy rate is greater than five percent; or 2) borrowing up to 20 units in allocations from future years. To implement this measure, the Planning Division is charged with tracking such allocations and reporting to the Planning Commission and public.

Residential condominium conversion applications are only accepted for processing from March 1 to March 15 of each CY. A summary on the number of applications received in the past five years follows; a more detailed list is provided in the attachment.

Calendar Year	Applications
2014	0
2015	0
2016	0
2017	0
2018	0

In CY 2012, one condominium conversion application, the 192-unit Camden Village Apartment Conversion (CVAC), was filed during the allowable acceptance period. The 100 unit allocation in CY 2012 was allocated to CVAC. In addition, the Planning Commission allocated units from five consecutive future years to allow the CVAC applicant to complete the conversion in a single phase. The first 100 units were allocated under CY 2012 and the remaining 92 units were allocated by borrowing 20 units each from future CYs 2013 through 2016 and an additional 12 units from CY 2017. Accordingly, the allocation conversion cap for CYs 2013-2016 was reduced to 80 units per calendar year and 88 units for CY 2017. The allocation conversion cap returned to the standard 100 units for CY 2018.

For CY 2019, the available allocation is 100 units. There is no roll-over allocation from CY 2018 of 100 units to CY 2019 because the vacancy rate data available in February 2019 was below five percent.

Attachment: Annual Conversion Cap and Unit Allocation Tracking (updated February 2019)

Residential Condominium Annual Conversion Cap and Unit Allocation Tracking (updated February 2019)

Calendar Year	Allowance	# of Applications Submitted	# of Units Allocated or Approved	Unused Allocation	May Unused Allocation be Carried Over?	# of Units Actually Converted	# of Produced Units
	(# of apartment units available for conversion to condominiums)	(Residential condominium conversion applications)	(100 units max, unless unused allocation is carried over from a previous calendar year or a discretionary increase is permitted)		(Apartment Vacancy Rate >= 5%)		(New apartment units, finalized)
2012	100	1 ^[1]	192	0	NO	0	138 ^{[2][3]}
2013	80 ^[4]	0	0	80	NO	0	0
2014	80 ^[4]	0	0	80	NO	0	0
2015	80 ^[4]	0	0	80	NO	0	0
2016	80 ^[4]	0	0	80	NO	0	64 ^[5]
2017	88 ^[4]	0	0	88	NO	0	0
2018	100	0	0	100	NO	0	4 ^[6]
2019	100	TBD ^[7]	TBD	TBD	TBD	TBD	TBD
2020	100	TBD	TBD	TBD	TBD	TBD	TBD
2021	100	TBD	TBD	TBD	TBD	TBD	TBD
2022	100	TBD	TBD	TBD	TBD	TBD	TBD

^[1] Camden Village Apartment Conversion - PLN2011-00176 (192 units). Application was deemed incomplete in CY 2011. Application was approved in CY2012 and units were allocated from five consecutive future years to allow the conversion to be completed in a single phase. The first 100 units were allocated under CY 2012 and the remaining 92 units were allocated by borrowing 20 units each from future CYs 2013 through 2016 and an additional 12 units from CY 2017.

^[2] Cottonwood Place Senior Apartments (98 units)

^[3] The Apartments at Central Park Terraces (40 units)

^[4] Calendar year reduction due to approval of Camden Village Apartment Conversion in CY 2012.

^[5] Laguna Commons (64 units)

^[6] Lotus Common (4 units)

^[7] Applications must be submitted between March 1st and March 15th.