

Article 32 Condominium Conversions (City-wide)

Sections:

- 3201 Specific Purposes
- 3202 Applicability
- 3203 Objectives
- 3204 Definitions
- 3205 Requirements
- 3206 Application Procedures
- 3207 Required Reports and Information
- 3208 Condominium Conversion Standards
- 3209 Tenant Benefits and Notification
- 3210 Housing Assistance Fee
- 3211 Effect of Proposed Conversions on the City's Low- and Moderate-Income Housing Supply
- 3212 Density Bonus for Including Low- and Moderate-Income Housing
- 3213 Retaliation
- 3214 Unlawful Detainer Defense
- 3215 Findings
- 3216 Appeals

3201 Specific Purposes

The conversion of residential structures from one individual ownership to condominiums or any other form of multiple ownership interests creates special community problems, both social and economic. Conversions may significantly affect the balance between rental and ownership housing within the city, and thereby reduce the variety of individual choices of tenure, type, price, and location of housing; increase overall rents; decrease the supply of rental housing for all income groups; displace individuals and families; and disregard the needs of the prevailing consumer market. The purpose of this article is to provide guidelines to evaluate those problems, including the impact any conversion application may have on the community, and to establish requirements which shall be included in any conversion approval.

3202 Applicability

This article shall apply to all conversions of existing residential real property to condominium or stock cooperative projects or any other form of ownership except conversion projects for which a tentative map or a tentative parcel map has been approved by the City Council prior to the effective date of this ordinance. All provisions, conditions, and further definitions of condominium development as included in the State Civil Code, Government Code, Taxation Code, and Business and Professions Code shall apply to divisions of real property as permitted herein.

3203 Objectives

This article is enacted for the following reasons:

- A. To establish procedures and standards for the conversion of existing multiple-family rental housing to condominiums;
- B. To reduce the impact of such conversions on tenants, who may be required to relocate due to the conversion of apartments to condominiums, by providing for procedures for notification and adequate time and assistance for relocation to comparable rental housing and rates;
- C. To assure that purchasers of converted housing have been properly informed as to the physical condition of the structure which is offered for purchase;
- D. To ensure that converted housing achieves a high standard of appearance, quality, and safety, and is in good condition without hidden needs for maintenance and repair;
- E. To provide the opportunity for low- and moderate-income persons to participate in the ownership process, as well as to maintain a supply of rental housing for low- and moderate-income persons; and
- F. To assure that adequate rental housing is available in the community.
- G. To establish procedures and standards for the conversion of existing multiple-family rental housing that have not received permanent occupancy permits to condominiums.

3204 Definitions

For purposes of this article, the following definitions shall apply:

- A. "Condominium" is an estate in real property consisting of an undivided interest in common of a parcel of real property together with a separate interest in space of a residential building in the form of a dwelling unit.
- B. "Conversion project" is the entire area of real property divided or proposed to be divided into condominiums or stock cooperatives, including all structures and improvements thereon.
- C. "Stock cooperative" is an estate in real property consisting of joint ownership as defined in Section 11003.2 of the Business and Professions Code. It is a development in which there is an interest in the land coupled with the right of exclusive occupancy of space in a residential dwelling unit. Title to the property is held by a corporation. Right of occupancy is transferable only concurrently with the transfer of the share or shares of stock in the corporation held by the person having such right of occupancy.

3205 Requirements

In addition to the applicable requirements and procedures set forth in Chapter 32 (Subdivisions) of the City Code, conversions of existing rental housing to condominiums, community apartments, stock cooperatives and any other subdivision which is a conversion of existing rental housing shall be subject to the additional requirements of this article.

Such conversions of four or fewer units must obtain a use permit approved by the Planning Commission, or by the Community Development Commission (CDC) for properties within the Redevelopment Project Area, and conversions of five or more units must obtain a use permit approved by the City Council pursuant to Article 41.

In addition, conversion of existing rental housing stock that have not received final occupancy permits and are of four or fewer units must obtain a use permit approved by the Planning Commission or by the Community Development Commission (CDC) for properties within the Redevelopment Project Area, and conversions of five or more units must obtain a use permit approved by the City Council pursuant to Article 41.

3206 Application Procedures

The following procedures and regulations shall apply to condominium conversion applications:

A. Preliminary Applications. Applicants may submit preliminary applications for condominium conversions of residential structures to condominiums. Such applications shall identify the owner or authorized agent, the location and number of units in the building to be converted, and contain information on the vacancy rate of multifamily dwellings of three or more units within the city and the number of tenants who support such a conversion.

Data for determining the city's annual multifamily rate shall be compiled from a variety of sources including, but not limited to, United States Postal Service Surveys, idle utility meter reports, reports from financial institutions, real estate organizations, or a City survey.

B. Department Review. The Planning Division of the Development Services Department shall review preliminary applications for condominium conversions. Preliminary applications may be accepted for further discretionary review if any one of the following factors exists:

1. The vacancy rate of multiple-family developments of three or more rental units within the city, as determined by the Housing Director is equal to or more than 5 percent, unless the conversion will result in a decrease of the vacancy rate to less than 5 percent.
2. Tenants lawfully in possession of 75 percent of the units indicate in writing to the

City their desire (one vote per unit) to convert such units to condominium ownership. To qualify under this provision, the applicant shall submit evidence that tenants have been provided with information on all estimated costs, including, but not limited to, the unit cost, down-payment requirements, financing, estimated property management costs, and homeowner association fees. If the conversion is approved, the developer shall provide information to the City on the number of tenants who actually purchased. If at any time during the conversion approval process, a sufficient number of tenants decide not to purchase, or if misrepresentation is discovered, the Planning Commission/ CDC or City Council, as the case may be, shall have sufficient grounds for denial of the use permit application.

3. The applicant agrees to sell or rent at affordable prices 25 percent of the units to low- and moderate-income households, with a minimum of 5 percent of the total units affordable to low-income households. If the units are to be made available for purchase, the maximum sales price of units intended for low- or moderate-income households shall not exceed 2.5 times the annual median income for such households as defined by the California Health and Safety Code, Section 50093. Resale controls shall be included as a deed restriction as specified by the City Council for conversions of 5 or more units, or the Planning Commission/ CDC for conversions of 4 or fewer units. If the units are to be for rent, the maximum rent allowed shall keep the units within the low- or moderate-income housing stock.

C. Optional Ranking of Applications.

1. If the City Planner receives more than one preliminary application during a six-month period pursuant to subsection (B)(1) of this section (vacancy rate) and determines that proposed conversions may reduce the vacancy rate to less than 5 percent, subsequent applications may be ranked by the Department based upon the following criteria:
 - (a) The extent to which the proposed conversion will provide housing opportunities for persons of all income levels in the community;
 - (b) The extent to which the proposed conversion's deleterious effect on occupying tenants will be mitigated by relocation assistance and other assistance provisions by the applicant; and
 - (c) The extent to which the project is suitable for conversion on the basis of its physical condition and other amenities.

The Planning Commission/ CDC or City Council, as the case may be, shall consider the highest ranking acceptable applications, the total units not to exceed the maximum number of units permitted to be converted based on the vacancy rate, or the rental percentage. Upon a written request, the applicant shall receive from the City a written explanation of the rank given to the conversion applications.

2. All applications which meet the criteria described in subsection (B)(2) (tenant approval) and subsection (B)(3) (affordable housing) shall be considered by the

Planning Commission/ CDC or City Council, as the case may be, regardless of vacancy or rental percentage limitations. If approved, and after conversion, the loss of rental units shall be included in the vacancy and rental calculations.

3. Conversions of existing rental housing stock that has not received final occupancy permits may be required to follow all of the provisions of Section 3206. Final recommendation will be determined by the City Planner.

3207 Required Reports and Information

After preliminary applications are accepted for further discretionary review, the applicant shall submit all the information required for a use permit application and a tentative map pursuant to Chapter 32 of the City Code. In addition, the applicant shall submit information documenting that the project as a whole will be in good repair on the interior and the exterior when offered for sale. As part of the material necessary for the City to determine this to be the case, and to aid the review of the proposal, the reports and/or information required by this section shall be submitted. The cost of all reports shall be paid by the applicant, and the persons preparing the reports shall be approved by the City. The reports shall include information on what improvements, if any, shall be accomplished by the developer and at what point in the conversion proceedings such improvements shall be completed. All improvements cited in the reports, whether required or voluntary, shall be considered conditions of approval.

The applicant shall be responsible for the remedy of physical conditions within individual units or common areas, noted by a prospective purchaser and/or tenant, which have been missed by inspections or which occur subsequent to the inspections but prior to the close of escrow. In case of disagreement between the applicant and the prospective purchaser as to the actual condition, remedy, or cause of deterioration, the burden of proof shall be that of the applicant.

A. Physical Elements Report and Related Information. A report on the physical elements of all structures and facilities, existing tenants, and proposed covenants, conditions and restrictions shall be submitted, containing the following:

1. A report by a California-licensed structural or civil engineer detailing the structural condition, useful life, and any apparent deferred maintenance of elements of the property, including, but not limited to, foundations, walls, ceilings, retaining walls, and drainage facilities.
2. A report by a California-licensed appliance professional detailing the age, condition, expected size, and the cost of replacement for each appliance. The report shall identify any defective or unsafe appliances and set forth the proposed corrective measures to be employed.
3. A report by a California-licensed structural termite and pest control specialist

certifying whether or not all attached or detached structures are free of infestation and structural damage caused by pests and dry rot. The report shall describe what procedures would be necessary to eliminate infestation or damage, if present. Such report shall be updated within six months after the close of escrow, and any infestation shall be remedied prior to sale.

4. Existing soils reports shall be submitted for review with a statement regarding any known evidence of soils problems relating to the structures. As required by the City Engineer, a new or revised report shall be prepared by a California-licensed soils engineer on soil or geological conditions on-site or off-site which could adversely affect the project site or structures.
5. A report by a California-licensed general or painting contractor verifying the condition of the painting throughout the project, including building interior and exterior surfaces and an estimate of the remaining physical life of the paint. A statement that new paint will be applied on all building interior and exterior surfaces may take the place of such report. Such statement shall include the brand name of the paint and the exterior colors to be used.
6. A report by a California-licensed general or roofing contractor verifying the condition of the roofs of all structures and an estimate of the remaining physical life of the roofs and the cost of replacement. A statement that new roof material will be applied may take the place of such report. Such statement shall include the type, grade, and color of the proposed roofing material.
7. A report by a California-licensed general contractor verifying the age, condition, estimate of remaining useful life, any apparent deferred maintenance, and cost of replacement of elements of the property, including, but not limited to, electricity, plumbing, utilities, windows, frames, mechanical equipment for heating and cooling, recreational facilities, mechanical equipment, parking facilities, refuse disposal facilities, swimming pools, saunas, jacuzzis, fountains, stone and brickwork, fireplaces, and exterior lighting.
8. A declaration of the covenants, conditions, restrictions, and rules and regulations which would be applied on behalf of any and all owners of condominium units within the project. The declaration shall include, but not be limited to: the conveyance of units; the assignment of parking and storage areas; and an agreement for common area maintenance, together with an estimate of any initial assessment fees anticipated for such maintenance, and an indication of appropriate responsibilities for the maintenance of all utility lines and services for each unit. Such documents shall be approved by the City Attorney and recorded in the Office of the County Recorder.
9. Specific information concerning the demographic and financial characteristics of the project, including, but not limited to, the following:

- (a) The square footage and number of rooms in each unit;
- (b) The rental rate history for each type of unit for the previous three years;
- (c) The monthly vacancy rate for each month during the preceding three years;
- (d) A complete list of the number of tenants and tenant households in the project, including the following information:
 - (1) Households with persons 62 years or older;
 - (2) The family size of households, including a breakdown of households with children 5 years and younger; and between 5 and 18 years;
 - (3) Households with handicapped persons;
 - (4) The length of residence;
 - (5) The age of tenants; and
 - (6) The designation of low- and moderate-income households and whether receiving federal or state rent subsidies.

When the subdivider can demonstrate that demographic information is not available, this requirement may be modified by the City Planner.

- (e) The proposed price of each of the units;
- (f) The proposed homeowners' association budget, detailed to include fixed costs, operating costs, reserves, administration, and contingencies; and
- (g) A statement of intent as to the types of financing programs to be made available, including any incentive programs for existing residents.

10. Signed copies from each tenant of the notice of intent to convert, as specified in this article. The applicant shall submit evidence that a certified letter of notification was sent to each tenant for whom a signed copy of such notice is not submitted.

B. Acceptance of Reports. The final form of the physical elements report and other documents shall be approved by the Planning Commission/ CDC or City Council, as the case may be. The reports in their acceptable form shall remain on file with the Department for review by any interested person.

C. Copies to Purchasers. Prior to any purchaser executing any purchase agreement or other contract to purchase a unit in the project, the subdivider shall provide each purchaser with

a copy of all reports in their final form as accepted by the Planning Commission/ CDC or City Council, except that the demographic information required by subsection (A) (8) and copies of the notice to each tenant concerning conversion do not need to be distributed. The developer shall give the purchaser at least five days to review such reports. Copies of the reports shall be made available at all times at the sales office and shall be posted at various locations, as approved by the City.

3208 Condominium Conversion Standards

- A. Compliance with Zoning, Building, Housing, Mechanical, and Fire Codes. All units, as well as the common ownership facilities, shall be brought into compliance with all applicable state and local zoning, building, housing, mechanical, and fire codes adopted for use by the City unless, upon approval of the City Planner and prior to recordation of the final map or parcel map, funds have been adequately escrowed to assure completion of such corrective work prior to the closing of escrow of any unit in the project.
- B. Parking Requirements. The project shall conform to all applicable parking requirements ~~of Article 31.~~
- C. Sound Transmission Characteristics and Energy Conservation. The following methods shall be used to regulate noise transmission:
 - 1. Shock Mounting of Mechanical Equipment. All permanent mechanical equipment, such as motors, compressors, pumps, and compactors, which are determined by the Building Official to be a source of structural vibration or structure-borne noise, shall be shock-mounted in inertia blocks or bases and/or vibration isolators in a manner approved by the Building Official.
 - 2. Noise Mitigation and Energy Conservation. Energy conservation insulation shall be installed in all heated or cooled buildings, including common ownership structures used for assembly purposes, in accordance with Title 24 of the California Administrative Code, as amended, and in effect on the date building permits are issued for condominium conversion rework. Common walls and common floor ceiling between units shall be constructed to meet a sound transmission coefficient (STC) rating of 50 or higher.
- D. Fire Protection.
 - 1. Smoke Detectors. Every dwelling unit shall be provided with an AC-powered smoke detector approved by the State Fire Marshal. Installations shall comply with Uniform Building Code Section 1210(a).
 - 2. Sprinkler and Other Systems. A sprinkler system, fire alarm, and other fire protection devices shall be installed as required by the City Code.

E. Utilities: Location and Metering.

1. Location. Each dwelling unit shall be served by gas and electric services completely within the lot lines or ownership space of each separate unit. No common gas or electrical connection or service shall be allowed. Easements for gas and electric lines shall be provided in the common ownership area where lateral service connections shall take place.
2. Undergrounding. All new utilities, both on-site and off-site, across property frontage shall be underground.
3. Metering. Each dwelling unit shall be separately metered for gas and electricity. Individual panel boards for electrical current shall be provided for each unit. A plan for the equitable sharing of communal water metering and other shared utilities shall be included in the covenants, conditions, and restrictions.

F. Laundry Facilities. A laundry area shall be provided in each unit, or, if common laundry areas are provided, such facilities shall consist of not less than one automatic washer and dryer for each five units or fraction thereof.

G. Condition of Equipment and Appliances. At such time as the homeowners' association takes over the management of the condominium project, the applicant shall provide a one-year warranty to the association that any pool and/or spa and pool and/or spa equipment (filter, pumps, and chlorinator) and any appliances and mechanical equipment to be owned in common by the association is in operable working condition. The plumbing and electrical systems in both the dwellings and the common ownership areas shall also be covered by a one-year warranty for proper and safe operation and installation in a safe and workmanlike manner. Such warranty shall be offered by an independent homeowner's warranty service licensed by the California Insurance Commission.

H. Refurbishing and Restoration. All main buildings, structures, fences, patio enclosures, carports, accessory buildings, sidewalks, driveways, landscaped areas, and additional elements as required by the Planning Commission/CDC shall be refurbished and restored as necessary to achieve a high standard of appearance, quality, and safety.

I. Contingency Fees. The intent of the City in requiring the creation of a contingency or reserve fund for condominium conversions is to provide a surety for unexpected or emergency repairs to common areas in the interest of the economic, aesthetic, and environmental maintenance of the community, as well as to protect the general welfare, public health, and safety of the community. Upon the close of escrow for each unit, the applicant shall convey to the homeowners' association's contingency fund a minimum fee of \$200 per dwelling unit. When 50 percent or more of the total units in the project has been sold, the applicant, within 30 days, shall convey such fee for each of the unsold units. Such funds shall be used solely and exclusively as a contingency fund for emergencies which may arise relating to open space areas, exterior portions of dwelling units, and such

other restoration or repairs as may be assumed by the homeowners' association.

3209 Tenant Benefits and Notification

Applications for condominium conversions shall include the following procedures as they relate to tenant notification:

A. Notices of Intent. A notice of intent to convert shall be delivered to each tenant at least 60 days prior to filing the application for a use permit and a tentative map. Evidence of the receipt of such notice shall be submitted with the application for conversion. The form of the notice shall be in the form outlined by Section 66452.9 of the California Government Code, and shall contain not less than the following:

1. The name and address of the current owner;
2. The name and address of the proposed subdivider;
3. The approximate date on which the application and tentative map are proposed to be filed;
4. The approximate date on which the final map or parcel map is to be filed;
5. The approximate date on which the unit is to be vacated by non-purchasing tenants;
6. The tenant's rights of:
 - a. Purchase;
 - b. Notification to vacate; and
 - c. Termination of the lease.
7. A statement of no rent increase from application to two years after approval of a final map;
8. Provisions for special cases;
9. The provision of moving expenses and the tenant's right to claim any penalty imposed if timely payment is not made;
10. The anticipated price range of the units;
11. The proposed homeowners' association fees;
12. A statement of the types of financing programs to be made available, including any incentive programs for existing residents; and

13. A copy of the City's condominium conversion regulations.

B. Notification to Tenants.

1. Mailing. For projects of four units or less, two separate stamped, pre-addressed envelopes for each resident of each unit shall be furnished to the Planning Division by the applicant at the time the subdivider submits an application for a use permit for a conversion. The Division shall use one envelope to notify the residents by mailing a copy of the Planning Commission/CDC public hearing notice to tenants not less than 10 days prior to the proposed hearing date on the application. The notice shall include notification of the tenant's right to appear and be heard. The second envelope shall be used by the Division to notify the residents of the results of the public hearing by mailing notification of the decision of the Planning Commission/CDC not more than seven days following the Planning Commission action. For conversions of five units or more, two additional sets of envelopes shall be provided for notification of the City Council hearing and decision. Failure of the Division to mail such notice shall not invalidate any proceeding or action taken by the City in considering a conversion. The list of names and addresses of the residents of each unit in the conversion project shall be current as of the day of submittal and shall be certified as such by the applicant.
2. Notices to Prospective Tenants. Commencing 60 days prior to the submittal of the application, any prospective tenants shall be notified in writing by the subdivider of the intent to convert prior to leasing or renting any unit pursuant to Section 66452.8 of the California Government Code. Such notice shall be attached to rental agreements.
3. Posting Notices. The notice of intent shall be posted on-site in at least one location readily visible to tenants.

C. Tenants' Discounts. Any present tenant of any unit at the time of an application for conversion shall be given a nontransferable right of first refusal to purchase the unit occupied at a discount of the price offered to the general public. The amount of the discount shall be based on the longevity of each tenant, and shall be ratified by the applicant at the time of conversion.

D. Vacation of Units. Each non-purchasing tenant, not in default under the obligations of the rental agreement or lease under which the subject unit is occupied, shall have not less than 120 days after the date of the tentative map approval by the City or until the expiration of the tenant's lease to find substitute housing and to relocate. Tenants shall be permitted to terminate leases or tenancy with one month's notice at any time after a conversion application.

E. No Increase in Rent. A tenant's rent shall not be increased within two months prior to a project application, nor shall the rent be increased for two years from the time of the filing

of the project application or until relocation takes place.

F. Special Cases.

1. All non-purchasing tenants 62 years old or older and all non-purchasing medically-proven permanently disabled tenants shall receive a lifetime lease. Rents for such tenants shall not be increased for two years after the filing of the project application.
2. The following non-purchasing tenants shall receive a minimum of 12 months' relocation time, measured from the tentative map approval, to find replacement housing;
 - (a) Tenants with low or moderate incomes; and
 - (b) Tenants with minor children in school.

G. Moving Expenses. The subdivider shall provide moving expenses equal to three times the monthly rent to any tenant, in compliance with all the terms of the subject lease and/or financing, who relocates from the building to be converted after City approval of the use permit authorizing conversion of the units. When the tenant has given notice of his intent to move prior to City approval of the use permit, eligibility to receive moving expenses shall be forfeited.

H. Relocation Assistance. Relocation assistance shall be provided by the subdivider to non-purchasing tenants for a minimum period of four months following the tentative map approval. Information on available rental units in the same general area with costs comparable to the preconverted apartments shall be provided by the subdivider on a calendar quarterly basis. Copies of the list shall be posted on-site, dated, and provided to the Division.

I. Discrimination. No discrimination in the sale of any unit shall be based on race, color, creed, national origin, sex, or age, and a statement to this effect shall be included in the covenants, conditions, and restrictions. Projects created exclusively for the purpose of providing senior citizen housing shall be exempted from this requirement.

J. Certificates of Occupancy. A certificate of occupancy shall be approved by the Planning Director and issued by the Building Official prior to the occupancy of units after sales.

K. Condominium Conversion. Conversion of existing rental housing stock that has not received final occupancy permits is not required to follow the provision of Section 3209.

3210 Housing Assistance Fee

As a condition of approval of the use permit, all applicants for approval of a condominium conversion shall be required to enter into an agreement with the City providing for payment

of a Housing Assistance Fee at the time of sale of individual units. The Housing Assistance Fee, equal to 2 percent of the sales price of each converted unit, shall be paid through escrow to the City before recording a change in title in favor of the purchaser of the unit. Fees received by the City shall be deposited in a Housing Assistance Fund to be used by the City exclusively to provide low-income housing opportunities consistent with Article 34 of the California Constitution. The money collected shall be committed within five years after payment thereof. If the money is not committed, it shall be distributed and paid to the then-record owners of the converted units.

- A. Exceptions. The Planning Commission/CDC may waive the requirements of this section for projects consisting of four or fewer units if it is determined that the conversion will not have a significant impact on the City's rental housing stock. The City Council may waive the requirements of this section if approval by another public agency required more stringent provisions to mitigate the loss of rental housing apply attributable to the proposed conversion project.
- B. Conversion. Conversion of existing rental housing stock that has not received final occupancy permits is not required to follow the provision of Section 3210.

3211 Effect of Proposed Conversions on the City's Low- and Moderate-Income Housing Supply

In reviewing requests for the conversion of existing apartments to condominiums, the Planning Commission/CDC or City Council, as the case may be, shall consider the following:

- A. Whether or not the amount and impact of the displacement of tenants, if the conversion is approved, would be detrimental to the health, safety, or general welfare of the community.
- B. The role the apartment structure plays in the existing housing rental market. Particular emphasis will be placed on the evaluation of rental structures to determine if the existing apartment complex is serving low- and moderate-income households.
- C. The need and demand for lower-cost home ownership opportunities which are increased by the conversion of apartments to condominiums.

3212 Density Bonus for Including Low- and Moderate-Income Housing

Consistent with the requirements of Section 65915.5 of the California Government Code, the City shall offer a density bonus to condominium conversions including low or moderate-income housing units or lower-income household units. When an applicant for approval to convert apartments to a condominium project agrees to provide at least 33 percent of the total units of the proposed condominium project to persons of low or moderate income, as defined in Section 50093 of the California Health and Safety Code, or 15 percent of the total units to lower-income households, as defined in Section 50079.5 of the California Health and Safety Code, the Planning Commission/CDC or City Council, as the case may be, shall either (1)

grant a 25 percent density bonus or (2) provide other incentives of equivalent financial value. Any density bonus provided under this section shall be governed by the requirements of Section 3032. If the property is located within the coastal zone, any density bonus provided under this section shall be governed by the requirements of Article 40 of the 1986 zoning ordinance.

- A. For purposes of this section, "density bonus" means an increase in units of 25 percent over the number of apartments to be provided within the existing structure or structures proposed for conversion. "Other incentives of equivalent financial value" shall not be construed to require the City to make any cash transfer payments or other monetary compensation to the subdivider, but may include the reduction or waiver of any required fees or the condominium conversion standards prescribed in Section 3208.
- B. An applicant shall be ineligible for a density bonus or other incentives under this section if the apartments proposed for conversion constitute a housing development for which a density bonus was provided under the provisions of Section 3032.
- C. Conversion of existing rental housing stock that has not received final occupancy permits is not required to follow the provision of Section 3212.

3213 Retaliation

It shall be unlawful for any person to evict or cause to be evicted any tenant where the dominant purpose of such eviction is retaliation against the tenant for the exercise or attempted exercise of any right granted under this article or for the peaceful and lawful opposition by such tenant to the proposed conversion of the multiple-unit rental project within which such tenant resides.

3214 Unlawful Detainer Defense

Each of the following acts or omissions shall constitute a separate defense to any unlawful detainer action:

- A. Failure of the applicant to comply with the provisions of Section 3209 and/or 3213.
- B. Failure of the applicant to provide the notice required by Government Code Section 66427.1(a).

3215 Findings

The Planning Commission/CDC or City Council, as the case may be, may approve an application for a condominium conversion if it finds that the proposed conversion meets the following requirements in addition to the requirements of Section 4106:

- A. That all the provisions of the state Subdivision Map Act, this article, and other applicable

provisions of the Zoning Ordinance and the City Code are met;

- B. That the proposed conversion is consistent with the General Plan and the adopted Housing Element and any applicable specific plan;
- C. That the proposed conversion will conform to the provisions of this ordinance and the City Code in effect at the time of the project approval, except as otherwise provided in this section;
- D. That the overall design and physical condition of the condominium conversion achieves a high standard of appearance, quality, and safety;
- E. That the proposed conversion will not displace a significant percentage of low- or moderate-income, permanently or totally disabled, or senior citizen tenants or delete a significant number of low- and moderate-income rental units from the City's housing stock at the time when no equivalent housing is readily available in the Oceanside area;
- F. That the dwelling units to be converted have been constructed and used as rental units for at least three years prior to the application for conversion.

3216 Appeals

The decision of the Planning Commission shall be final upon formal action at the next regular meeting, unless appealed in accord with Article 46.