

**CITY OF SAN LUIS OBISPO
PLANNING COMMISSION AGENDA REPORT**

ITEM # 2

BY: Phil Dunsmore, Senior Planner (781-7522)

DATE: June 8, 2011

FROM: Kim Murry, Deputy Director of Community Development *KM*

FILE NUMBER: GPC 49-11

PROJECT ADDRESS: 1600 Bishop

SUBJECT: General Plan conformity report for the surplus and sale of the vacant building known as "Sunny Acres" for residential purposes by the County of San Luis Obispo.

RECOMMENDATION

Determine, and report to the City Council, whether the proposed surplus and sale for residential use conforms to the General Plan.

DISCUSSION

Planning Commission Role

Section 65402 of the California Government Code requires the local agency to make a finding of General Plan conformance whenever a governmental entity proposes to acquire or dispose of property. The Planning Commission reviews the project for a determination of conformity with the General Plan and reports its findings to the City Council.

Background

The County of San Luis Obispo owns a 40 acre property, of which 23 acres is within the City limits. The property within the City limits contains the previous General Hospital building, Probation Department building, Child Development Center, and Community Health Center building. The property also contains a building known as "Sunny Acres" and the County is requesting the City find that sale of property on which the vacant Sunny Acres building is situated be found to be in conformance with the General Plan. The County intends to create a public lot surrounding the structure and sell the property and building with an agreement that it be utilized for residential purposes and that the exterior of the building be preserved and restored (Attachment 2).

Data Summary

Property Owner:	County of San Luis Obispo
General Plan Land Use Map:	Open Space
Zoning:	C/OS-40
Surrounding Uses:	General Hospital, County Probation Office, Single Family Residential

Environmental Status: Categorically exempt as a Statutory Exemption Section 15262, Feasibility and Planning Studies [CEQA Guidelines Section 15262].

Site Description & History of Sunny Acres

The proposed site consists of the former juvenile detention center building known as Sunny Acres. It is located north west of General Hospital adjacent to the residential neighborhood comprised of Woodland and Skylark Drives and Wilding Lane (Attachment 1, vicinity map). The property is located just outside the Urban Reserve Line within the Conservation Open Space district with a 40-acre minimum parcel size and is adjacent to the Woodland Drive Hillside Planning area at the eastern boundary of the City. The two-story brick building is vacant and served by a single driveway in an open, gently sloping vacant lot at the rear of General Hospital. County records show the building to be approximately 7060 square feet in size, and the County would like to offer the building within a proposed 31,359 square foot lot.

The County of San Luis Obispo built sunny Acres in 1931 as a children's home to house orphans and other wards of the court. It is a large, two story, brick structure prominently situated in its hilltop location behind General Hospital. The architectural style has been described as Lombard or Milanese Romanesque, which was popular in the 1920's. The style was widely used for academic buildings, with examples on the UCLA and USC campuses. The building was designed by William Mooser, whose firm also designed the Santa Barbara County Courthouse and Ghirardelli Square in San Francisco. The Sunny Acres building is the only example of this type of architecture in San Luis Obispo County. In the mid 1950's, minor interior remodeling was completed to accommodate a change of use to a County-run juvenile detention facility. It was used as such until 1974 when the County discontinued the use and the building has remained vacant since that time.

In 1998 the San Luis Obispo County General Services Department planned to demolish the Sunny Acres building due to concerns with vandalism and liability. The proposal was referred to the City Cultural Heritage Committee (CHC) on February 23, 1998. The CHC determined that the building is historically and architecturally significant and recommended that the City Council add the building to the Master List. At its March 15, 1994 meeting City Council members asked staff to research the feasibility of acquiring the property as open space and the feasibility and cost of rehabilitating the Sunny Acres building. Staff considered the County's offer to sell the building plus about 16 acres behind the building, and determined that the cost to acquire, refurbish and maintain the property made the project infeasible. County plans to demolish the building were put on hold and the historic designation of the property was not finalized pending a determination of the future plans for the property. Although there have been several attempts to renovate the building for public purposes, all such endeavors have failed. The cost to rehabilitate the building for any public use while maintaining its historic character, with the extensive public facility earthquake retrofitting required, has proven financially infeasible.

Current Status

The County wishes to create a public lot containing the Sunny Acres building and sell the property in its current condition with an agreement that the building be used for residential purposes. The purchase agreement also requires that the exterior of the building be preserved and that the purchaser complete a series of maintenance and improvement milestones as described in Attachment 2.

Currently, the building is vacant and constructed of unreinforced masonry. Many years of vandalism have taken their toll on the building. Virtually all of the windows are broken, the roof has significant holes and the floors and walls have been significantly damaged by fire and vandalism. All of the utility systems will need to be replaced and the building will require some asbestos abatement. The property is not currently on the City's list of historic resources; however the CHC has previously determined that it qualifies as such.

The County would like to create a 31,359 square foot lot and grant an access easement to serve the new lot to separate the Sunny Acres building from the rest of the County-owned property. Under the C/OS-40 zone, a newly created parcel would need to be 40 acres in size to comply with zoning requirements. The County is proposing to enter into an agreement with a potential purchaser who will be required to pursue a public lot request to create the 0.7 acre parcel. The City's Subdivision Regulations allow exemptions from parcel map requirements for divisions of real property resulting from the conveyance of land to or from a public entity for a public purpose. In this case, the County's stated public purpose is to preserve the historic structure. The successful purchaser will be responsible for processing the appropriate application for public lot creation with the concurrence of the County.

Minimum lot sizes in surrounding properties within the R-1 zone are 6,000 square feet. However, this property was given open space zoning due to its public ownership and its location just above the 460-foot elevation contour – the location of the Urban Reserve Line (URL). The 460-foot contour is the boundary in which the City's utilities department can adequately provide water service to properties without the need for supplementary pressure boosters. However, since this existing building was formerly served by City utilities, Utilities Department staff has acknowledged that both City water and City sewer connections for the building are feasible.

General Plan Analysis

The following General Plan policies and programs are excerpts from the General Plan's Land Use and Conservation and Open Space Element. The focus of these policies is geared towards the preservation of historical resources. As recommended by the CHC, Sunny Acres has been found to be a valued historic resource that should be preserved. The process of selling the property with a condition to preserve and maintain the property helps further these goals.

Policies

3.3.1 Historic preservation.

Significant historic and architectural resources should be identified, preserved and rehabilitated.

Staff analysis: Sale of the property with a preservation agreement is likely to result in maintenance, preservation, and occupancy of the property that will expedite the preservation and protection of the historic resource.

3.5.10 Sunny Acres.

Sufficient acreage should be provided around Sunny Acres to enable use of the property for a community center, urban garden, natural history museum and adjoining botanical garden, or similar uses.

Staff analysis: The County proposes to create and sell a 0.7 acre property containing the Sunny Acres building. This policy assumes a public use of both the building and the surrounding grounds. No additional development plans for private or public use outside of the 0.7 acre area are proposed at this time, however the Commission may make suggestions regarding the future use of surrounding property. Recently, the County has discussed the potential for residential development on the property between the proposed lot and the General Hospital building to the west. Given current fiscal challenges, the feasibility of restoring the building for public use is severely limited at this time. Offering the building for sale significantly enhances the potential to save the resource which accomplishes a series of other policy objectives but may conflict with policy 3.5.10.

3.5.12 Cultural resources and open space.

Within the city limits the City should require, and outside the city limits should encourage the County to require, public or private development to do the following where archaeological or historical resources are protected as open space or parkland:

- 1. Preserve such resources through easements or dedications. Subdivision parcel lines or easements shall be located to optimize resource protection. Easements as a condition of development approval shall be required only for structural additions or new structures, not for accessory structures or tree removal permits. If a historic or archaeological resource is located within an open space parcel or easement, allowed uses and maintenance responsibilities within that parcel or easement shall be clearly defined and conditioned prior to map or project approval.*
- 2. Designate such easements or dedication areas as open space or parkland as appropriate.*
- 3. Maintain such resources by prohibiting activities that may significantly degrade the resource.*

Staff analysis: The open space zoning protects the site from substantial development but allows residential use of the property. One way to further ensure protection of the building would be to suggest protection of the building through a preservation easement or agreement consistent with

policy 3.5.12. The Commission may suggest other options to protect the resource without encouraging substantial additional development of the site.

Programs

3.6.7 Partnering for preservation.

The City will partner with agencies, non-profit organizations and citizens groups to help identify, preserve, rehabilitate and maintain cultural resources.

Staff analysis: Endorsing General Plan Conformity will assist the County with their effort towards rehabilitating and preserving the potential historic resource.

3.6.8 Promote adaptive reuse of historic buildings.

The City will, consistent with health, safety and basic land-use policies, apply building and zoning standards within allowed ranges of flexibility, to foster continued use and adaptive reuse of historic buildings.

Staff analysis: Adaptive re-use of this building is a logical method of ensuring its preservation. The flexibility needed in this case is addressed in the City's Subdivision Regulations which allow creation of a public lot to accommodate conveyance of land to or from a public entity.

1.7.1 Open Space Protection

Within the City's planning area and outside the urban reserve line, undeveloped land should be kept open. Prime agricultural land, productive agricultural land, and potentially productive agricultural land should be protected for farming. Scenic lands, sensitive wildlife habitat, and undeveloped prime agricultural land should be permanently protected as open space.

Staff analysis: The existing building is located outside of the URL, however the existing building should be considered an open space resource that should be protected. One of the only ways to ensure this is to allow the building to be occupied and modified into a low intensity use such as residential. The C/OS zoning will only allow one dwelling unit. Multiple dwelling units on this property would require a zone change and URL adjustment.

1.12.1 Water and Sewer Service

The City shall not provide nor permit delivery of City water or sewer services to the following areas. However, the City will serve those parties having valid previous connections or contracts with the City.

A. Outside the City limits; Outside the urban reserve line; Above elevations reliably served by gravity-flow in the City water system; Below elevations reliably served by gravity-flow or pumps in the City sewer system.

Staff analysis: The existing building was previously connected to City services and the City Utilities Department has acknowledged that service can be made available to the existing building although it is outside of the URL.

Planning Commission Direction

The role of the Planning Commission will be to make a recommendation to the City Council as to whether the proposal is consistent with General Plan Policy. Given the fact that the site is within land designated as Open Space, adaptive re-use of the building is an appropriate use of the property since it will ensure the preservation of a potential historic resource and will not result in additional development within the open space zone. The open space zoning limits further development of the property and will assist with the protection of the potential historic resource. However, if the property is to be utilized for more than one dwelling, an adjustment to the zoning and the URL would need to be pursued, as the Open Space zone only allows one dwelling per lot.

If the Planning Commission is supportive of the project proposal and finds that the proposal is consistent with General Plan Policies for the preservation of the building, the Planning Commission should recommend the City Council find the proposal conforms to the General Plan.

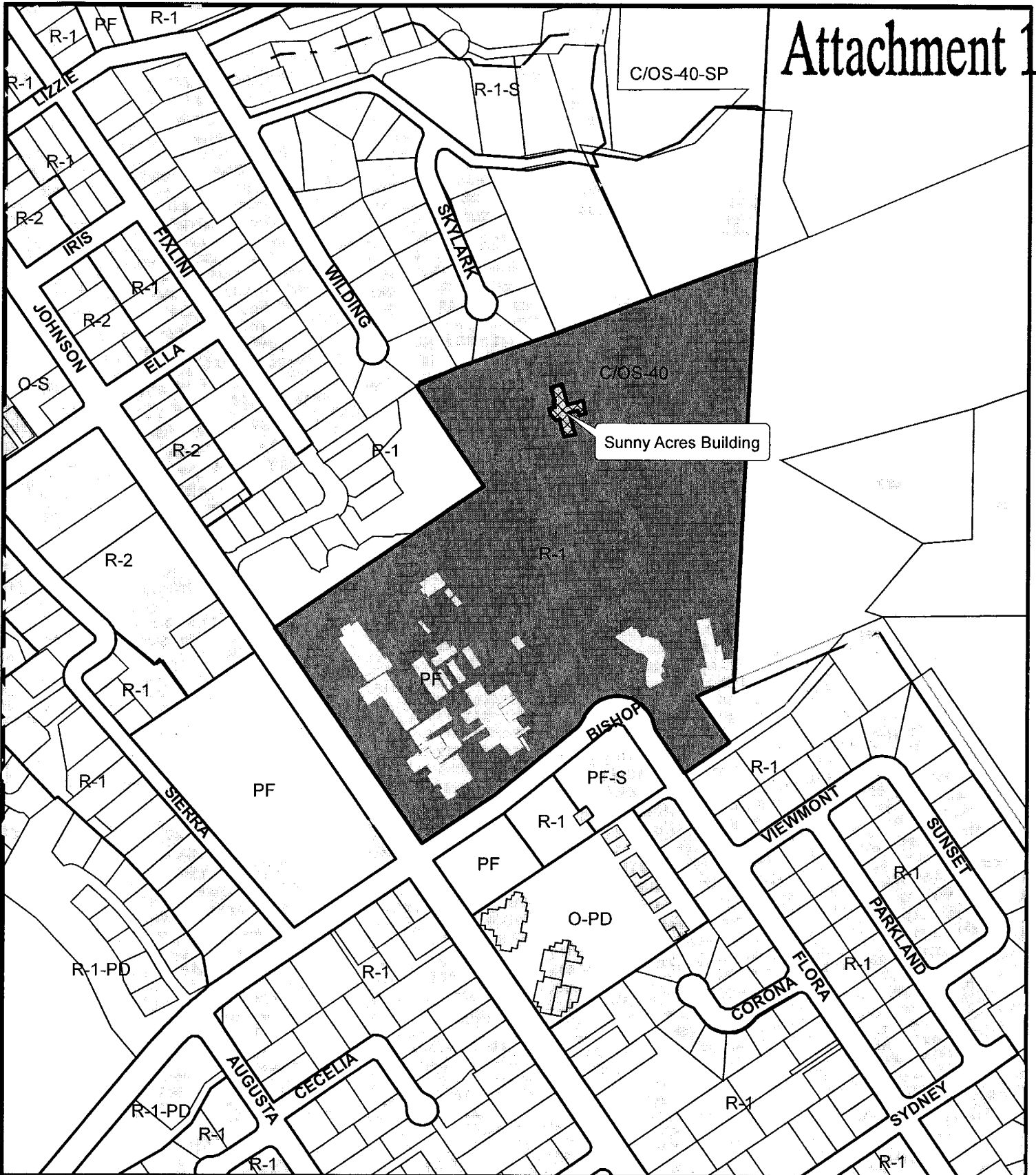
The current condition of the site is a neighborhood attractive nuisance that creates a hazardous situation for vandals and a concern for nearby residents. The benefit of restoring the building and placing an active use at the site will achieve a significant goal of the City, and this factor should be considered when making a recommendation to the City Council.

ALTERNATIVES

1. The Commission may determine the proposal does not conform with the General Plan, however, the County may still proceed with plans to sell the property regardless of the City's determination on consistency with the General Plan.
2. The Commission may suggest other land uses for the property such as public uses or a greater density of residential uses. However these suggestions would only be for the County's consideration and cannot be conditions of the conformity consideration.
3. The Commission may continue the item for additional analysis and research.

Attached:

1. Site vicinity map
2. Letter from San Luis Obispo County General Services



VICINITY MAP

File No. 49-11

1600 BISHOP



**REQUEST BY THE COUNTY OF SAN LUIS OBISPO FOR A GENERAL PLAN CONFORMITY REPORT AND ENVIRONMENTAL DETERMINATION FROM THE CITY OF SAN LUIS OBISPO FOR THE COUNTY'S SURPLUS AND SALE OF SUNNY ACRES FOR RESIDENTIAL DEVELOPMENT OF 1-3 UNITS
APRIL 27, 2011**

The County of San Luis Obispo desires to sell the Sunny Acres building located within the San Luis Obispo city limits at 1600 Bishop Street, a portion of APN 003-601-005. The County Board of Supervisors must review a Determination of General Plan Conformity from the local jurisdiction and an environmental determination before authorizing the sale of the property. In accordance with California Government Code section 25526, the property will be sold to the highest bidder who agrees to the terms of the sale.

The building was constructed by the County in 1932 to be used originally as an orphanage. The building was designed by William Mooser, whose firm also designed the Santa Barbara County Courthouse and Ghirardelli Square in San Francisco. In the 1940's the building was converted to a juvenile detention facility, and it was eventually closed in 1974. Although there have been several attempts to renovate the building for public purposes, all such endeavors have failed. The cost to rehabilitate the building for any public use while maintaining its historic character, with the extensive public facility earthquake retrofitting required, has proven financially unfeasible.

The County now intends to offer the property for residential development of 1-3 units in the hope that such a project will allow the structure to be saved. County records show the building to be approximately 7060 square feet in size, and the County will deed a lot size of 31,359 square feet.

CURRENT CONDITION

Sunny Acres is constructed of unreinforced brick masonry, and the building was once served by well water and city sewer. Some asbestos removal has been done by the County, but the roofing materials still contain asbestos. The building has been heavily damaged by the elements and by vandalism. All the windows are broken, and a fire in the main room caused significant damage. Some of the floors have been torn up and most walls are damaged. Virtually all utility systems within the building have been destroyed, and the roof has large holes in it.

Optimally, the County would have preferred to wait to sell Sunny Acres until the surrounding property was rezoned and developed, but the building continues to decline and needs renovation soon if it is to survive. The property is currently zoned Conversation/Open Space with a 40-acre minimum lot size, so the transfer of the property cannot occur until the purchaser has processed a zoning exception and created the 31,359 square foot lot through a public lot split process through the City.

The property is not currently listed on the City of San Luis Obispo's registry of historic buildings, but the City identifies it as "potentially contributing" historically and will likely require measures to be taken by the purchaser to maintain its historic character. The County of San Luis Obispo and many residents of San Luis Obispo would like to see the building saved.

COUNTY'S EXPECTATIONS OF SUNNY ACRES DEVELOPMENT

The property will be purchased in "as is" condition, and the purchase agreement will require the exterior of the structure to be essentially preserved. The County will allow no more than three residential units to be created within the structure, and a garage may be added to the property if it blends with the building and is approved by the City.

Attachment 2

The purchase agreement will require the following milestones to be accomplished:

- Secure the building from further vandalism within 60 days (fenced and entry points secured).
- Clean up the landscaping and perform weed abatement within 60 days.
- Obtain a zoning exception for residential development (up to 3 units) and public lot split approval from the City of San Luis Obispo within 120 days.
- Provide to the County a surveyor's legal description for the lot and for the access easement/right of way within 120 days.
- Remove graffiti and painted signs from the building within 6 months.
- Abate the asbestos and replace the roof within one year.
- Replace the windows within 1.5 years.

The purchaser will receive the grant deed for the property after the purchaser has processed the public lot split and the zoning exception for residential development and has provided the County with the legal descriptions for the lot and the access easement or right-of-way. It is the County's understanding that an adjustment to the Urban Reserve Line will not be required for the property because it is an existing structure.

The grant deed will contain a restriction requiring the exterior of the building to be historically preserved for a period of 50 years. It will also contain a reversionary clause transferring ownership back to the County without reimbursement to the Purchaser for the completed improvements in the event that the milestones are not achieved. The County will provide an easement over the adjacent County-owned property to accommodate access and utilities and will cooperate with the right-of-way dedication for the road if required by the City.

Please contact Linda Van Fleet at the County of San Luis Obispo if further information is needed.



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