



PLANNING COMMISSION AGENDA REPORT

MEETING DATE: JANUARY 9, 2006

VI.5.
ITEM NUMBER:

**SUBJECT: PLANNING APPLICATION PA-05-43 AND TENTATIVE TRACT T-16946
2233 FAIRVIEW ROAD**

DATE: DECEMBER 29, 2005

FOR FURTHER INFORMATION CONTACT: MEL LEE, AICP SENIOR PLANNER (714)754-5611

DESCRIPTION

The applicant is proposing to convert an existing 2-story, 18-unit apartment complex into a common interest development (condominiums) in conjunction with a tentative tract map, which would allow the units to be sold independent of one another.

APPLICANT

The applicant is Walden and Associates, representing Operon Group, the owner of the property.

RECOMMENDATION

Approve by adoption of Planning Commission resolution, subject to conditions.



MEL LEE, AICP
Senior Planner



R. MICHAEL ROBINSON, AICP
Asst. Development Services Director

PLANNING APPLICATION SUMMARY

Location: 2233 Fairview Road Application: PA-05-43 and T-16946

Request: To convert an existing 18-unit apartment complex to a common interest development (condominiums).

Zone:	<u>R3</u>	North:	<u>C1, Commercial Uses</u>
General Plan:	<u>High Density Residential</u>	South:	<u>R3, Condominiums</u>
Lot Dimensions:	<u>123 FT x 298 FT</u>	East:	<u>(Across Fairview) C2, Commercial Uses</u>
Lot Area:	<u>36,654 SF</u>	West:	<u>R3, Condominiums</u>
Existing Development:	<u>2-story 18 Unit Apartment Complex</u>		

DEVELOPMENT STANDARD COMPARISON

Development Standard	Required/Allowed	Proposed/Provided
Lot Size:		
Lot Width	100 FT	123 FT
Lot Area	12,000 SF	36,654 SF
Density:		
Zone	1 du/2,178 SF	1 du/2,036 SF*
General Plan	1 du/2,178 SF	1 du/2,036 SF*
Building Coverage:		
Buildings	NA	15,104 SF (42%)
Paving	NA	6,746 SF (18%)
Open Space	14,661 SF (40%)	14,804 SF (40%)
TOTAL		36,654 SF (100%)
Building Height:		
Private Open Space	2 Stories 27 FT	2 Stories 24 FT, 6 IN
Distance Btwn Buildings	10 FT min. dim.	10 FT
Private Storage	10 FT min.	15 FT
Setbacks	200 CU FT/unit	200 CU FT/unit
Front	20 FT	13 FT*
Side (left/right)	5 FT/ 5 FT	10 FT/10 FT
Rear	20 FT	42 FT
Rear Yard Lot Coverage	NA	NA
Parking:		
Covered	18	36
Open	54	2
TOTAL	72 Spaces	38 Spaces*
Driveway Width:	16 FT	25 FT

NA = Not Applicable or No Requirement

*The property is legal nonconforming

CEQA Status Exempt, Class 1 and 15 (Existing Facilities and Minor Land Divisions)

Final Action Planning Commission

BACKGROUND

The subject property contains an 18-unit, two-story, three-bedroom apartment complex. The development was constructed in 1990. At the time the project was approved and constructed, the property was zoned R4 (it is currently zoned R3). The property is bounded by commercial properties to the north, and condominium developments to the south and west.

The applicant proposes to convert the apartment complex into a common interest development (condominiums). Pursuant to Code Section 13-42(g), Planning Commission review is required when occupied apartments are proposed to be converted to a common interest development. The review is required to confirm compliance with applicable development standards and to consider potential impacts on the rental housing supply and displacement of tenants if the City's vacancy rate is below 3%.

ANALYSIS

Common Interest Development Conversion

Common interest developments must comply with additional development standards above those applicable to apartments. These additional development standards include: 10-foot by 10-foot private open space; having a break in the façade of at least 4 feet for every 2 dwelling units; and provision of on-site lighting. The existing development already complies with these requirements.

As indicated earlier, the development was constructed in 1990 and is legal nonconforming - whether as apartments or as condominiums - with regard to density, front building setback, and parking. The proposed conversion will not increase the project's degree of nonconformity in these areas.

Approval of the conversion is consistent with the City's General Plan, particularly Goal LU-1A.4, which encourages additional home ownership opportunities in the City. However, the Zoning Code establishes a "critical vacancy rate" of 3% as the threshold for discouraging conversion of apartments to common interest developments, the idea being that conversions could diminish the supply of rental housing and displace residents unreasonably, particularly senior citizens and very low- and low-income families. When the citywide rental vacancy rate is 3% or less, Planning Commission may deny any requested conversions. The latest census data indicates the City's rental vacancy rate is 2.97%.

The tenants are currently paying approximately \$1,700 - \$1,800 a month in rent, which exceeds affordable rental rates of \$946 for very low income and \$1,136 for low income households for a 3-bedroom unit¹. Therefore, conversion of the units would not result in a loss of affordable units. It is staff's opinion that this proposal meets the goal of the

¹ Fair Market Rent Established by US Dept. of Housing and Urban Development (HUD) for 2005 and 2006

General Plan's Housing Element to provide additional home ownership opportunities, and does not impact availability of affordable rental housing.

As conditioned, the applicant will be required to offer right of first refusal to the tenants, with terms more favorable than those offered to the general public. If the tenants confirm that they are not interested in purchasing the units, the property owner will be required to pay the registration fee for an apartment referral service.

As required by Code, a property inspection report and a termite report were submitted by the applicant, and a City property inspection was conducted by Building Services staff (a copy of all of the reports are attached for reference). Based on those reports, and to allow a general upgrading of the site, staff recommends the following improvements:

1. All exterior and interior improvements listed in applicant's letter dated September 26, 2005 (a copy of which is attached to this report). This condition is required to be completed under the direction of the Planning staff.
2. Comply with all building, plumbing, and electrical corrections and upgrades listed in the November 4, 2005, memo prepared by the Building Safety Division (a copy of which is attached to this report).
3. Upgrade landscaping to satisfy current code requirements.
4. Treat termite infestations and repair dryrot damage as recommended by a termite control company.

Tentative Tract Map

As provided for by the State Subdivision Map Act, the applicant has applied for a tentative tract map to facilitate the conversion. The proposed map will subdivide the airspace of the individual units so that the units can be sold independent of one another.

State law requires that all existing and prospective tenants be notified of the proposed conversion. This notification is required a minimum of 60 days prior to the filing of the tentative map. The applicant sent notices in April 2005. The applicant has provided proof that the letters were sent out in a timely manner (via return receipts) prior to the filing of the tentative map.

ALTERNATIVES

The units would continue to be used as rental units without the site upgrades, if the request is denied.

CONCLUSION

Conversion of the apartments will result in a general upgrading of the property, as well as providing additional home ownership opportunities. In staff's opinion, conversion of the units will not diminish affordable housing stock. Additionally, current tenants will be

offered right of first refusal to purchase, or the property owner will pay registration fees for an apartment search service to help them find a new apartment if they decide not to purchase.

Attachments: Draft Planning Commission Resolution
 Exhibit "A" - Draft Findings
 Exhibit "B" - Draft Conditions of Approval
 Applicant's Project Description and Justification
 City Engineer's Letter
 Inspection Reports
 Zoning/Location Map
 Plans

cc: Deputy City Manager - Dev. Svs. Director
 Sr. Deputy City Attorney
 City Engineer
 Fire Protection Analyst
 Staff (4)
 File (2)

Walden & Associates
2552 White Road, Suite B
Irvine, CA 92614

Operon Group/Oak Crest Villas LLC
Attn: Chris Kwasizur
4 Upper Newport Plaza, Suite 100
Newport Beach, CA 92660

File: 010906PA0543T16946	Date: 122105	Time: 8:30 a.m.
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RESOLUTION NO. PC-06-

**A RESOLUTION OF THE PLANNING COMMISSION OF THE
CITY OF COSTA MESA APPROVING PLANNING
APPLICATION PA-05-43 AND TENTATIVE TRACT MAP T-
16946**

THE PLANNING COMMISSION OF THE CITY OF COSTA MESA HEREBY
RESOLVES AS FOLLOWS:

WHEREAS, an application was filed by Walden and Associates, representing Operon Group, the owner of the real property located at 2233 Fairview Road, requesting approval of the conversion of an existing 2-story, 18-unit apartment complex into a common interest development (condominiums) in conjunction with a tentative tract map, which would allow the units to be sold independent of one another, in an R3 zone; and

WHEREAS, a duly noticed public hearing was held by the Planning Commission on January 9, 2006.

BE IT RESOLVED that, based on the evidence in the record and the findings contained in Exhibit "A", and subject to the conditions contained in Exhibit "B", the Planning Commission hereby **APPROVES** Planning Application PA-05-43 and Tentative Tract Map T-16946 with respect to the property described above.

BE IT FURTHER RESOLVED that the Costa Mesa Planning Commission does hereby find and determine that adoption of this Resolution is expressly predicated upon the activity as described in the Staff Report for Planning Application PA-05-43 and Tentative Tract Map T-16946 and upon applicant's compliance with each and all of the conditions contained in Exhibit "B". Any approval granted by this resolution shall be subject to review, modification or revocation if there is a material change that occurs in the operation, or if the applicant fails to comply with any of the conditions of approval.

PASSED AND ADOPTED this 9th day of January, 2006.

Bill Perkins, Chair
Costa Mesa Planning Commission

STATE OF CALIFORNIA)
)ss
COUNTY OF ORANGE)

I, R. Michael Robinson, secretary to the Planning Commission of the City of Costa Mesa, do hereby certify that the foregoing Resolution was passed and adopted at a meeting of the City of Costa Mesa Planning Commission held on January 9, 2006, by the following votes:

AYES: COMMISSIONERS

NOES: COMMISSIONERS

ABSENT: COMMISSIONERS

ABSTAIN: COMMISSIONERS

Secretary, Costa Mesa
Planning Commission

EXHIBIT "A"

FINDINGS

- A. The information presented substantially complies with Costa Mesa Municipal Code Section 13-29(10) in that, although the critical vacancy rate is less than the rate established in Section 13-42(c) (Residential Common Interest Development Conversions), the condominium conversion will not diminish affordable housing stock within the City. Conversion of the apartments will result in a general upgrade of the property, as well as providing additional home ownership opportunities within the City. Current tenants be offered right of first refusal to purchase, or the property owner pay registration fees for an apartment search service to help them find a new apartment if they decide not to purchase.
- B. The information presented substantially complies with Costa Mesa Municipal Code Section 13-29(e) in that:
 - a. The project is compatible and harmonious with existing development and uses in the general neighborhood.
 - b. Safety and compatibility of the design of buildings, parking areas, landscaping, luminaries and other site features, which includes functional aspect of the site development such as automobile and pedestrian circulation, have been considered.
 - c. The project is consistent with the General Plan.
 - d. The planning application is for a project-specific case and is not to be construed to be setting a precedent for future development.
 - e. The cumulative effect of all the planning applications has been considered.
- C. The proposed airspace subdivision is consistent with the City's General Plan and Zoning Ordinances.
- D. Approval of the subdivision will allow additional home ownership opportunities without impacting affordable rental housing and is consistent with the objectives, policies, general land use, and programs specified in the General Plan.
- E. The subject property is physically suitable to accommodate T-16946 in terms of type, design and density of development, and will not result in substantial environmental damage nor public health problems, based on compliance with the City's Zoning Code and General Plan.
- F. The design of the subdivision provides, to the extent feasible, for future passive or natural heating and cooling opportunities in the subdivision, as required by Government Code Section 66473.1.
- G. The subdivision and development of the property will not unreasonably interfere with the free and complete exercise of the public entry and/or public utility rights-of-way and/or easements within the tract.
- H. The discharge of sewage from this subdivision into the public sewer system will not violate the requirements of the California Regional Water Quality Control Board pursuant to Division 7 (commencing with Section 13000 of the Water

Code).

- I. The project, subject to conditions and code provisions, is consistent with Government Code Section 66427.1 in that all tenants have received written notifications of intention to convert and their exclusive rights to contract for the purchase of their unit.
- J. The project has been reviewed for compliance with the California Environmental Quality Act (CEQA), the CEQA Guidelines, and the City environmental procedures, and has been found to be exempt from CEQA as a Class 1 (Existing Facilities) and Class 15 (Minor Land Divisions).
- K. The project is exempt from Chapter XII, Article 3, Transportation System Management, of Title 13 of the Costa Mesa Municipal Code.

EXHIBIT "B"

CONDITIONS OF APPROVAL

- Plng. 1. All exterior and interior improvements listed in the applicant's letter dated September 26, 2005, shall be completed under the direction of the Planning staff, including, but not limited to, the following:

Exterior Improvements:

- A. New exterior paint utilizing a color palette that accentuates the individual units, including doors, window trim and fascia. New painting and refurbishment of the pool fence and gate. New painting of the common mail boxes.
- B. Replacement of the existing garage doors with new roll-up style doors with automatic garage door openers.
- C. Enhancements to existing landscape, including the concrete planters which are presently under-utilized. Introduce new color scheme. Install trellises in the common areas. Refurbishment of the irrigation system.
- D. Repair of the concrete drive aisle and entryway concrete detail. Resealing of walkways.

Interior Improvements:

- A. New interior paint utilizing a neutral color scheme.
- B. New carpet throughout.
- C. Refurbished flooring
- D. Restored cabinetry and fixtures where necessary.
- E. Re-seal private patios and unit entryways.
- F. Other repairs as necessary.

2. Applicant shall contact the Building Safety Division to provide proof that the Uniform Building Code requirements for condominiums have been satisfied prior to final Planning inspection.
3. Applicant shall treat termite infestations and repair dryrot damage as recommended by a termite control company.
4. The conditions of approval and ordinance or code provisions and special district requirements of Planning Application PA-05-43 shall be blueprinted on the face of the site plan.
5. The applicant shall contact the Planning Division to arrange for an inspection of the site prior to the final Building Division inspections. This inspection is to confirm that the conditions of approval and code requirements have been satisfied.
6. The applicant shall offer the existing tenants right of first refusal to purchase the units with terms more favorable than those offered to the general public. If the existing tenants confirm in writing that they are not interested in purchasing the units, the property owner will pay the registration fee for an apartment referral service.
7. The applicant shall show proof of compliance with all applicable conditions of approval and code requirements prior to recordation of the final map. This condition shall be completed under the direction of the

Planning Staff.

8. Prior to submittal of the final map, the applicant shall provide the Conditions, Covenants, and Restrictions (CC&Rs) to the Development Services Director and City Attorney's office for review. The CC&Rs must be in a form and substance acceptable to, and shall be approved by the Development Services Director and City Attorney's office. The CC&Rs shall contain provisions that effectively implement the following parking-related requirements: (1) require that the homeowner's association (HOA) require homeowners to maintain an unobstructed area in their enclosed garages to allow parking of vehicles instead of any other purpose (e.g. storage), (2) require the open parking spaces to be made available for guest parking only, and (3) require that the HOA contract with a towing service to enforce the parking regulations. Any subsequent revisions to the CC&Rs related to these parking provisions must be reviewed and approved by the City Attorney's office and the Development Services Director before they become effective.
9. The turnaround area at the rear of the site shall be striped and signed for no parking.
- Bldg. 10. Comply with all building, electrical, and mechanical corrections listed in the November 4, 2005, Building Safety Division memo.
- Eng. 11. Comply with the requirements in the City Engineer's letter dated December 12, 2005.

PLANNING DIVISION - CITY OF COSTA MESA
DESCRIPTION/JUSTIFICATION

Application #: PA-05-43 ST-16946 Environmental Determination: **EXEMPT**
Address: 2233 FAIRVIEW RD.

1. Fully describe your request:

CONVERT EXISTING (18) UNIT, (4) BUILDING
APARTMENT COMPLEX INTO CONDOMINIUMS.

2. Justification

A. For a Conditional Use Permit or Minor Conditional Use Permit: Describe how the proposed use is substantially compatible with uses permitted in the same general area and how the proposed use would not be materially detrimental to other properties in the same area.

PROPERTY IS DESIGNATED AS GENERAL PLAN USE
OF HIGH DENSITY RESIDENTIAL AND WILL STAY
AS SUCH WHEN CONVERTED TO CONDO'S. ADJACENT
PROPERTIES ARE ALSO MULTI-FAMILY.

B. For a Variance or Administrative Adjustment: Describe the property's special circumstances, including size, shape, topography, location or surroundings that deprive the property of privileges enjoyed by other properties in the vicinity under the identical zoning classification due to strict application of the Zoning Code.

N/A

3. This project is: (check where appropriate)

In a flood zone.

Subject to future street widening.

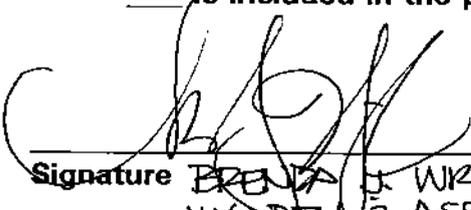
In the Redevelopment Area.

In a Specific Plan Area.

4. I have reviewed the HAZARDOUS WASTE AND SUBSTANCES SITES LIST published by the office of Planning and Research and reproduced on the rear of this page and have determined that the project:

Is not included in the publication indicated above.

Is included in the publication indicated above.

Signature 
BRENDA J. WRIGHT
WALDEN & ASSOCIATES

09-08-05
Date



CITY OF COSTA MESA

P.O. BOX 1200 • 77 FAIR DRIVE • CALIFORNIA 92628-1200

FROM THE DEPARTMENT OF PUBLIC SERVICES/ENGINEERING DIVISION

December 12, 2005

Costa Mesa Planning Commission
City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626

SUBJECT: Tract No. 16946
LOCATION: 2233 Fairview Road

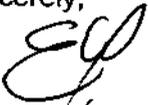
Dear Commissioners:

Tentative Tract Map No. 1694 as furnished by the Planning Division for review by the Public Services Department, consists of subdivision to convert an exiting 18-unit apartment complex into condominium development. Tentative Tract Map No. 16946 meets with the approval of the Public Services Department, subject to the following conditions:

1. The Tract shall be developed in full compliance with the State Map Act and the City of Costa Mesa Municipal Code (C.C.M.M.C.), except as authorized by the Costa Mesa City Council and/or Planning Commission. The attention of the Subdivider and his engineer is directed to Section 13-208 through 13-261 inclusive, of the Municipal Code.
2. The Subdivider shall conduct soil investigations and provide the results to the City of Costa Mesa Engineering and Building Divisions pursuant to Ordinance 97-11.
3. Two copies of the Final Tract Map shall be submitted to the Engineering Division for checking. Map check fee shall be paid per C.C.M.M.C. Section 13-231.
4. A current copy of the title search shall be submitted to the Engineering Division with the first submittal of the Final Tract Map.
5. Dedicate an ingress/egress easement to the City over for emergency and public security vehicles purposes only. Maintenance of easement shall be the sole responsibility of a Homeowners Association formed to conform to Section 13-41 (e) of the C.C.M.M.C.
6. Vehicular and pedestrian access rights to Fairview Road shall be released and relinquished to the City of Costa Mesa except at approved access locations.
7. Conform with the Master Plan of Highways right-of-way requirements for future road improvements. The owner shall make an irrevocable offer to dedicated for street and highway purposes on Fairview Road.
8. The Subdivider shall submit a cash deposit of \$500 for street sweeping at time of issuance of a Construction Access permit. Full amount of deposit shall be maintained on a monthly basis prior to and during construction until completion of project.
9. Fulfill the drainage fee ordinance requirements prior to the approval of the Tract Map.

10. Street lighting shall be provided as required by the Public Services Department, Transportation Services Division.
11. Sewer improvements shall meet the approval of the Costa Mesa Sanitary District; call (949) 631-1731 for information.
12. Water system improvements shall meet the approval of Mesa Consolidated Water District; call (949) 631-1200 for information.
13. Dedicate easements as needed for public utilities.
14. Prior to recordation of a Final Tract Map, the surveyor/engineer preparing the map shall tie the boundary of the map into the Horizontal Control System established by the County Surveyor in a manner described in Subarticle 12, Section 7-9-337 of the Orange County Subdivision Code.
15. Prior to recordation of a Final Tract Map, the surveyor/engineer preparing the map shall submit to the County Surveyor a digital-graphics file of said map in a manner described in Subarticle 12, Section 7-9-337 of the Orange County Subdivision Code.
16. Survey monuments shall be preserved and referenced before construction and replaced after construction, pursuant to Section 8771 of the Business and Profession Code.
17. The elevations shown on all plans shall be on Orange County benchmark datum.
18. Prior to recordation of a Final Tract Map, submit required cash deposit or surety bond to guarantee monumentation. Deposit amount to be determined by the City Engineer.
19. Prior to occupancy on the Tract, the surveyor/engineer shall submit to the City Engineer a Digital Graphic File, reproducible mylar of the recorded Tract Map, and approved off-site plan and nine copies of the recorded Tract Map.

Sincerely,



Ernesto Monoz, P. E.
City Engineer

/ch (Engr. 2005/Planning Commission Tract 16946)

11-1-05
10 AM

**CITY OF COSTA MESA
DEVELOPMENT SERVICES
BUILDING SAFETY DIVISION
77 FAIR DRIVE, P.O. BOX 1200
COSTA MESA, CALIFORNIA 92628 -1200
714-754-5629**

RECEIVED
CITY OF COSTA MESA
DEVELOPMENT SERVICES DEPARTMENT

DATE: 11-4-05

NOV 21 2005

PROJECT : Residential Common Interest Development Conversion

ADDRESS: 2233 Fairview rd PA-05-43

CITY: COSTA MESA

Per sec. 13-42 (f), (2) City of Costa Mesa zoning code. A property review inspection was conducted. The following items were noted. There are 18 units, corrections apply to each unit. There is also a pool area.

BUILDING :

- 1) Provide one-hour occupancy separation between garage and dwelling units, and 1 hour door assembly.
- 2) Provide one-hour fire resistive construction for walls separating dwelling units.
- 3) Provide draft stopping at attic areas separating dwelling units.
- 4) Provide smoke alarms at locations referenced by the California Building Code.
- 5) Provide compliance for pool area fencing Per CBC Chapter 31B.

ELECTRICAL:

- 1) Re-wire for current California Electrical Code circuitry for kitchens and bathrooms.
- 2) Provide GFCI protection for receptacles in garages, bathrooms, kitchen counter tops, and outdoors.
- 3) Provide receptacles so that no point on kitchen counter top is more than 2 feet away.
- 6) Provide covers for pool area lighting, and electrical boxes and panels for pool equipment, and verify GFCI protection as required.

MECHANICAL:

- 1) Anchor pool equipment to slab.

15

Bill Nunes

OAK CREST VILLAS LLC

September 26, 2005

City of Costa Mesa
Development Services Department
Planning Division
P.O. Box 1200
Costa Mesa, California 92628

RE: Condominium Conversion Plan for 18 units at
2233 Fairview Road
Costa Mesa, CA

TO: CITY PLANNING DEPARTMENT:

Oak Crest Villas LLC is the owner of 2233 Fairview Drive in Costa Mesa. The property's current use is as an 18-unit apartment complex. Due to the town-home style design of the complex, its proximity to other condominiums and single family residences, and the strong demand for entry level housing in the City of Costa Mesa, we feel that the property is ideally situated for conversion into condominiums. The contents of this letter and the attachments describe the existing use of the property and our condominium improvement plan.

THE PROPERTY

Oak Crest Villas is located on the signalized corner of Fairview Road and Wilson Street in Costa Mesa, two blocks west of the 55-freeway and approximately one mile from the ocean. The complex shares property lines with existing condominiums to the west and south, and retail uses to the north. The surrounding residential neighborhood to the west consists of "pride-of-ownership" single-family housing, with public schools, parks, and services in the immediate area. **Please see Exhibit 1 – Map of Location, and Exhibit 1A – Existing Condominiums Sharing Property Line.**

The four-building complex consists of eighteen (18) identical three-bedroom, two and one-half bathroom, two-story units with attached two-car garages which allow for direct access to the interiors. The units have living space of approximately 1,100 square feet, and feature walk-in closets, vaulted ceilings, and enclosed private patios. **Please see Exhibit 2 – Unit Floor Plans, Exhibit 3 – Front Elevation, and Exhibit 4 - Site Plan.**

There is a pool, a Jacuzzi, and additional open space to the west of the project. Every living unit has separate electrical and gas meters, and is equipped with fire sprinklers. The buildings were constructed in 1990. Overall the property is in good condition, but there are some improvements that can be made to the exterior to enhance its appearance. **Please see Exhibit 5 – Photos of Exterior and Interior.**

OAK CREST VILLAS LLC

AS-IS RENTAL UNITS

As of the date of this letter, three of the eighteen (18) units are vacant (17% vacancy rate). The market rental rate for this property is \$1,800 per unit due to the townhome-style floor plan. Especially appealing is the three-bedroom, two-and-a half-bathroom layout and direct-access garages.

PLANNED IMPROVEMENTS

Exterior Improvements – The following enhancements will greatly improve the curb appeal of the complex and revitalize the appearance of the property:

1. New exterior paint utilizing a color palette that accentuates the individual units (**See Exhibit 6 – Example of Color Palate Improvement**, showing an example of the color scheme), including doors, window trim and fascia. New painting and refurbishment of the pool fence and gate. New painting of the common mail boxes.
2. Replacement of the existing garage doors with new roll-up style garage doors, with automatic openers. (**See Exhibit 7 – Garage Doors**)
3. Enhancements to existing landscape, including the concrete planters which are presently under-utilized. (**See Exhibit 8 – Planters**). Introduce new color scheme. Install trellises in common areas. Refurbishment of the irrigation system. (**See Exhibit 9 – Landscape Enhancements**)
4. Repair of the concrete drive aisle and entry-way concrete detail. (**See Exhibit 10 - Drive Aisle**). Resealing of the walkways.

Interior Improvements – The unit interiors require minimal cosmetic improvements as follows:

1. New interior paint utilizing a neutral color scheme.
2. New carpet throughout.
3. Refurbished flooring.
4. Restored cabinetry and fixtures where necessary.
5. Re-seal private patio and unit entryways.
6. Repairs as necessary.

CONCLUSION

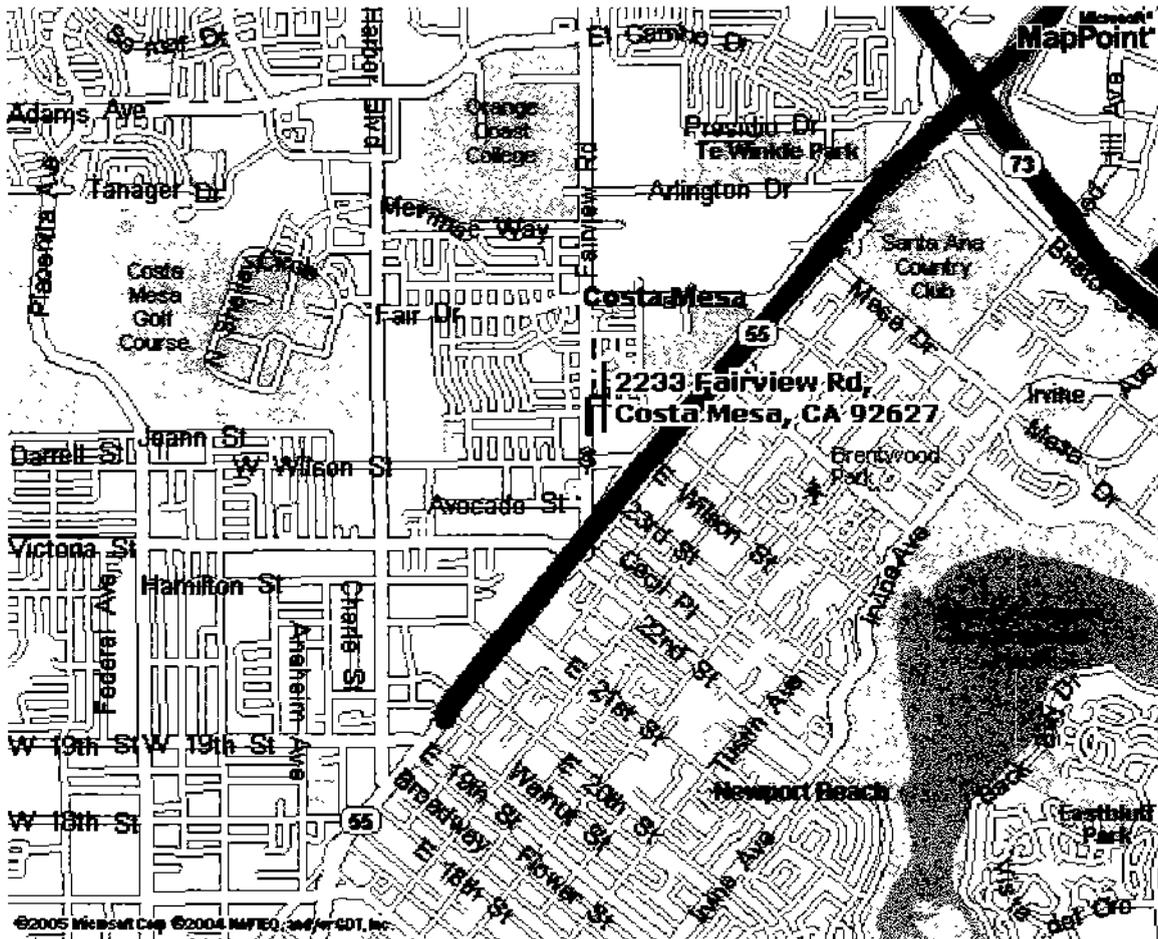
We envision a revitalized property that will appeal to buyers who seek the spaciousness and convenience of a town-home, but with the price point of an entry-level condominium. Our plan will greatly enhance the property's existing condition, and once the improvements are implemented, we feel that the complex will be an asset to the neighborhood and to the City of Costa Mesa.

Sincerely
Oak Crest Villas LLC

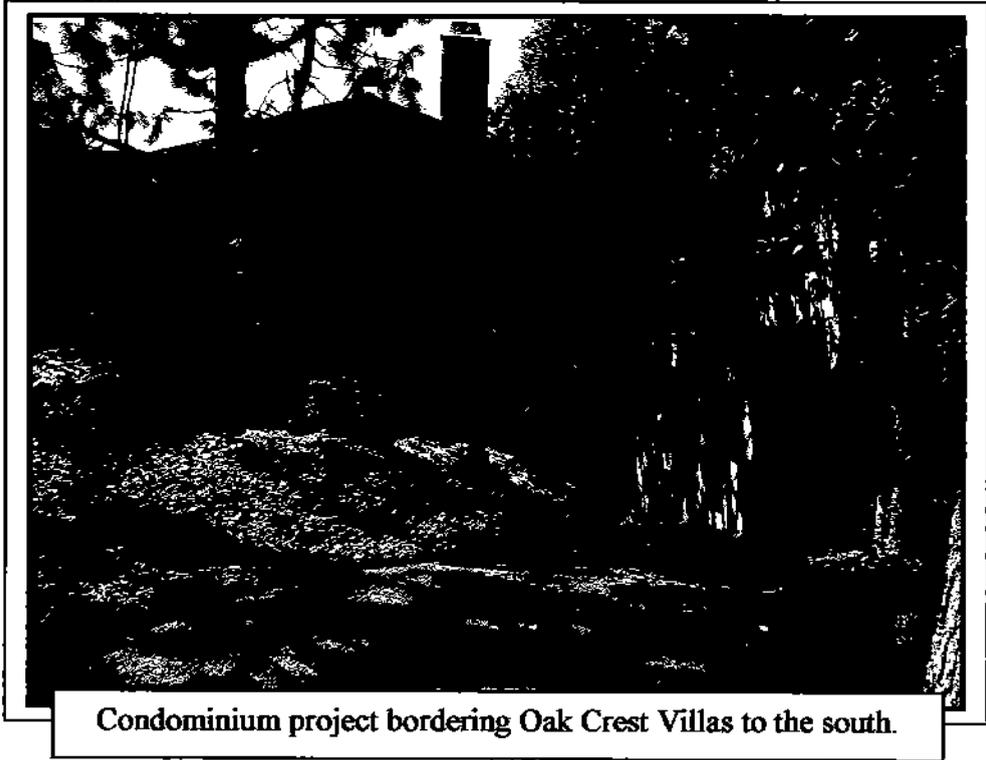
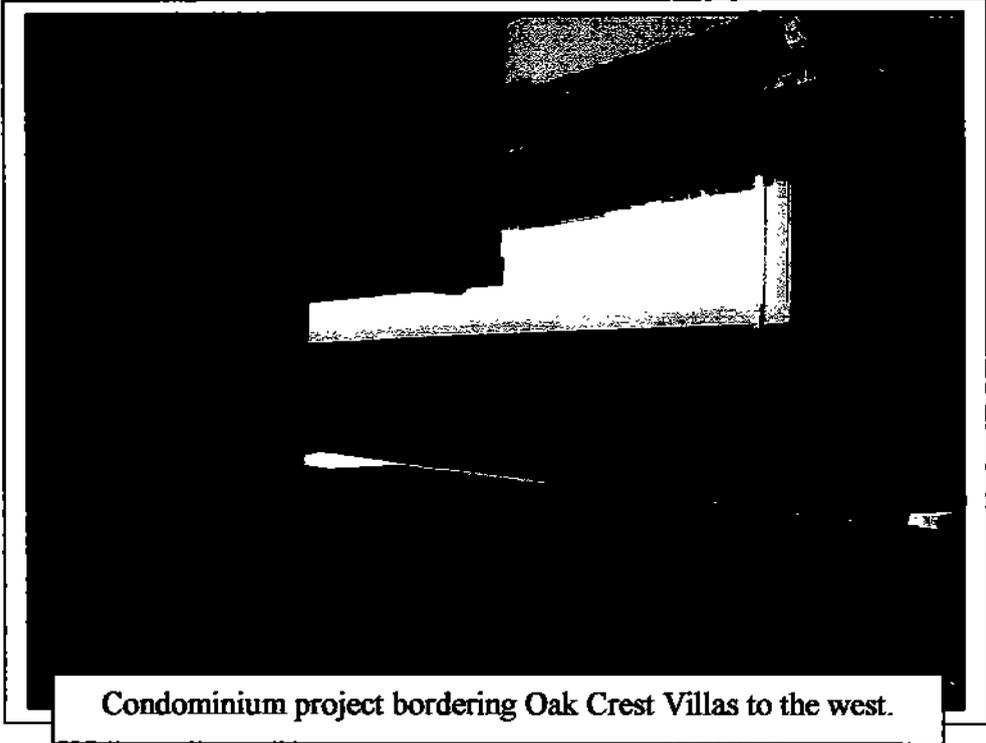


Donald E. Russell
Manager

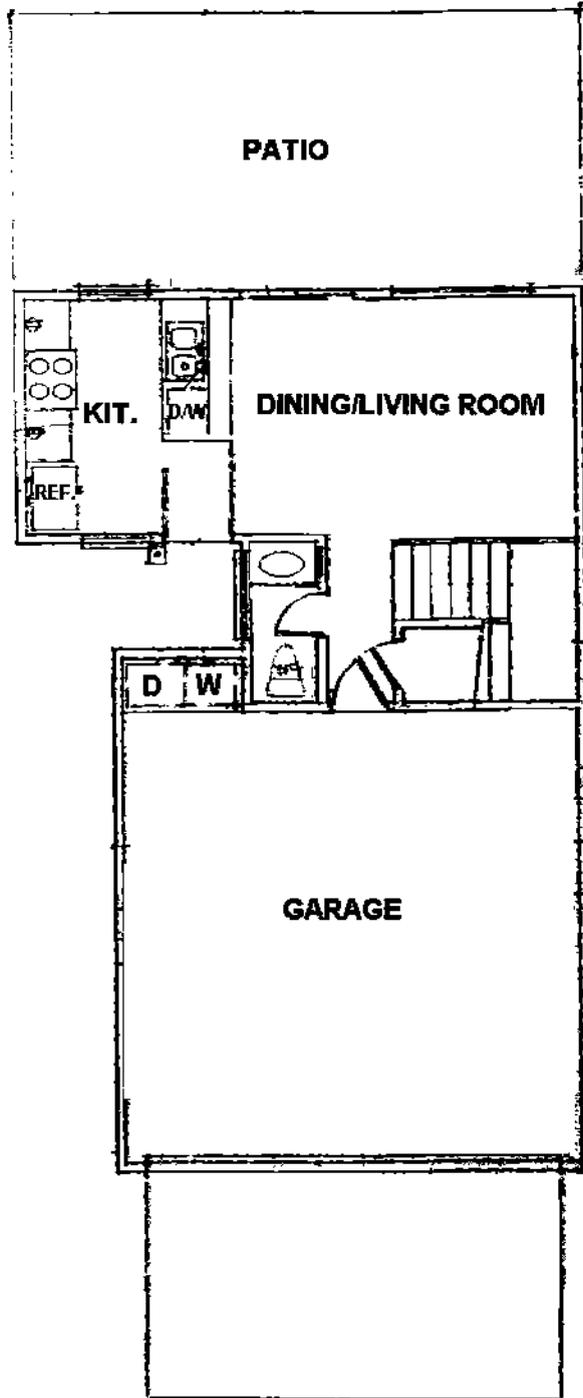
Oak Crest Villas
Exhibit 1 – Map of Location
2233 Fairview Drive, Costa Mesa, CA



Oak Crest Villas
Exhibit 1-A
Existing Condos Sharing Property Line

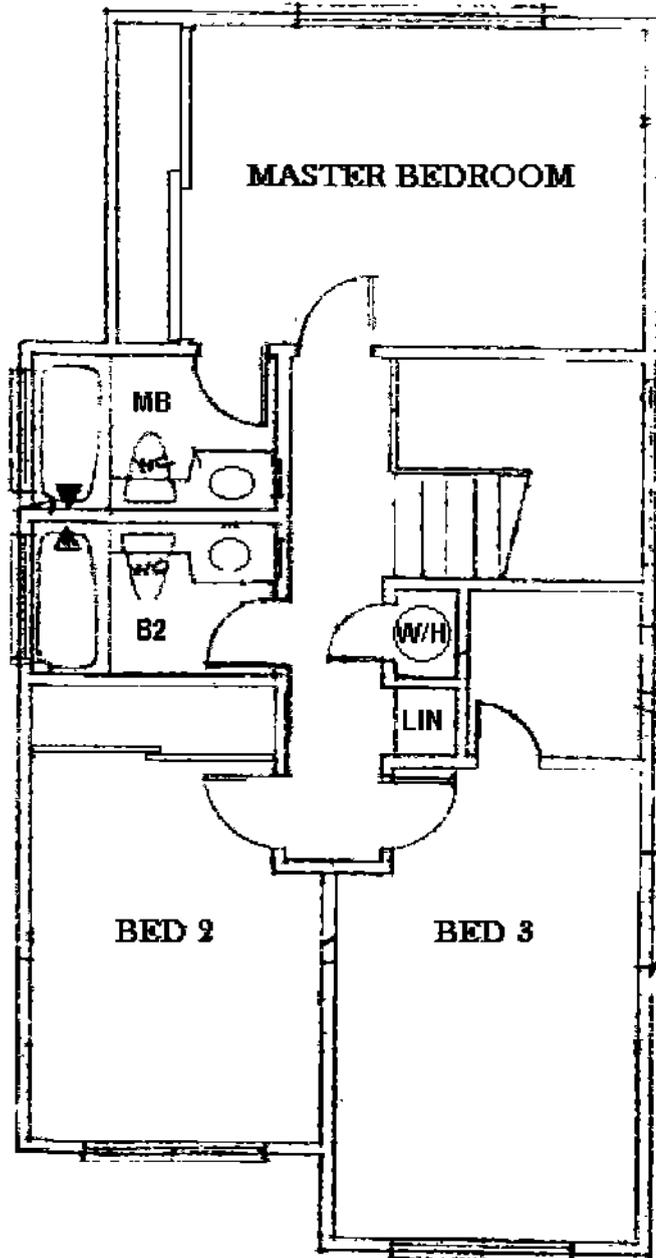


Oak Crest Villas
Exhibit 2
Unit Floor Plans



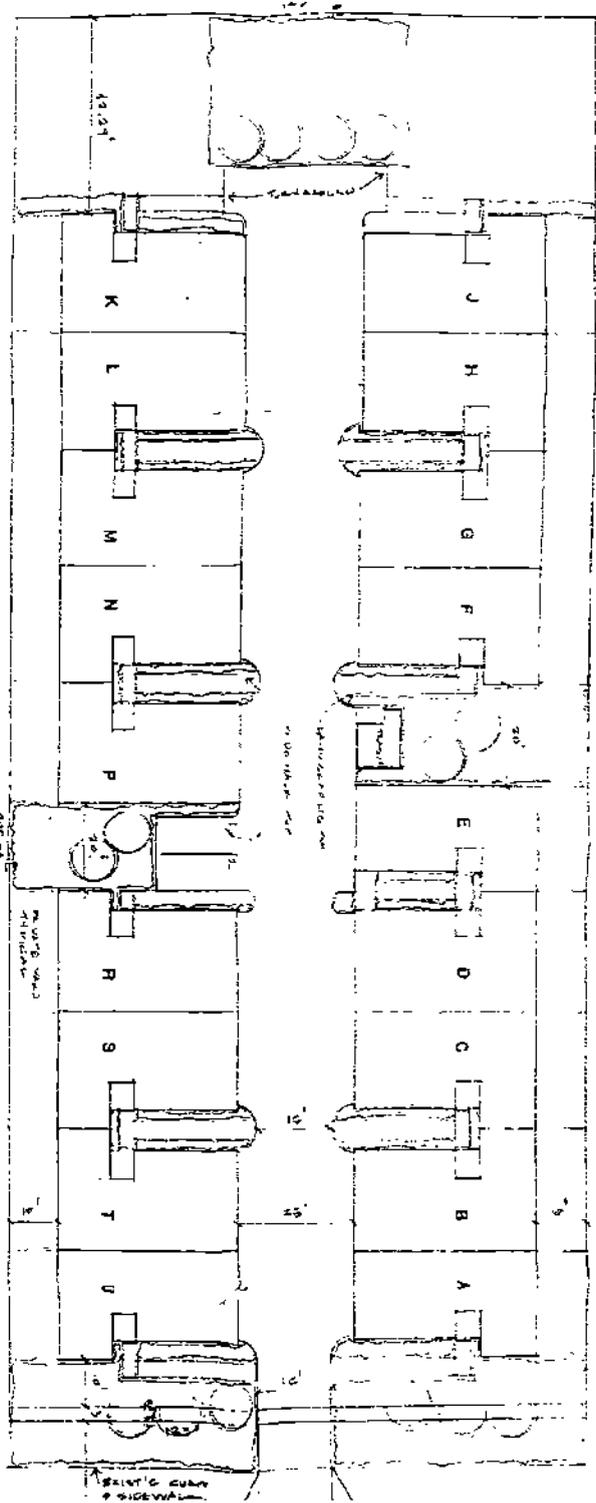
FIRST STORY FLOOR PLAN

Oak Crest Villas
Exhibit 2
Unit Floor Plans

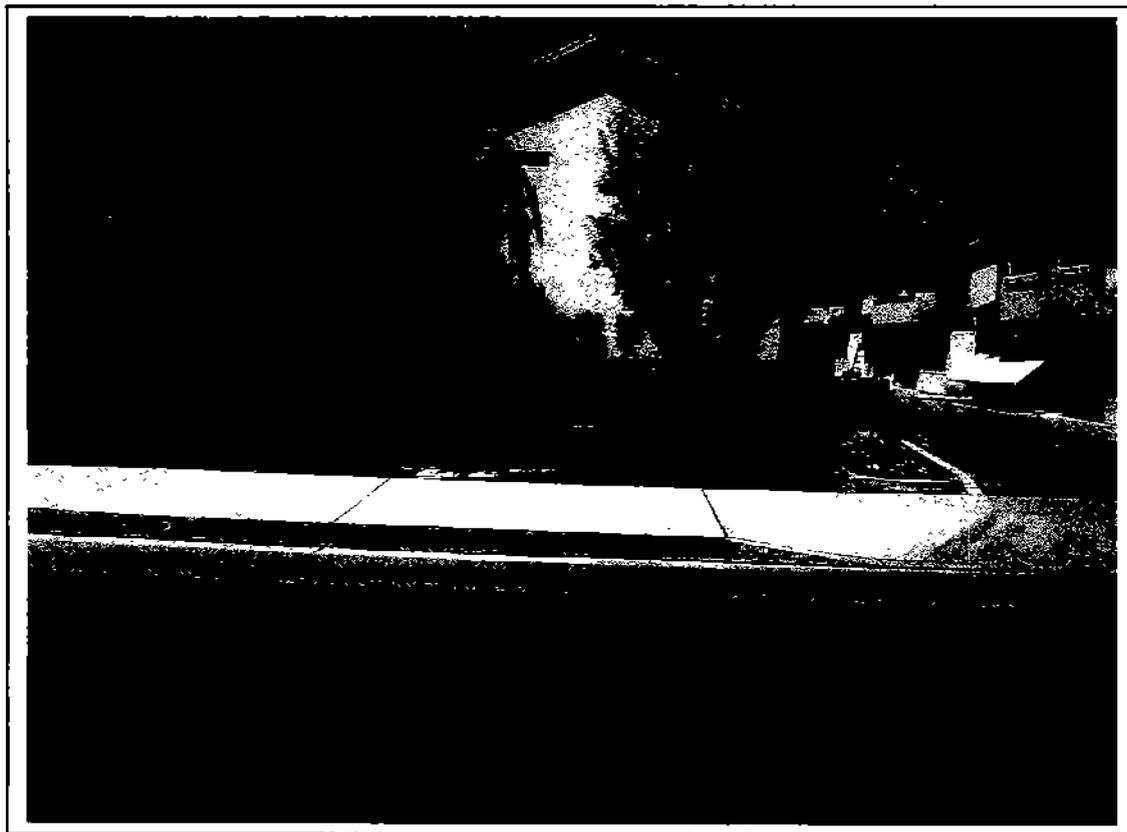
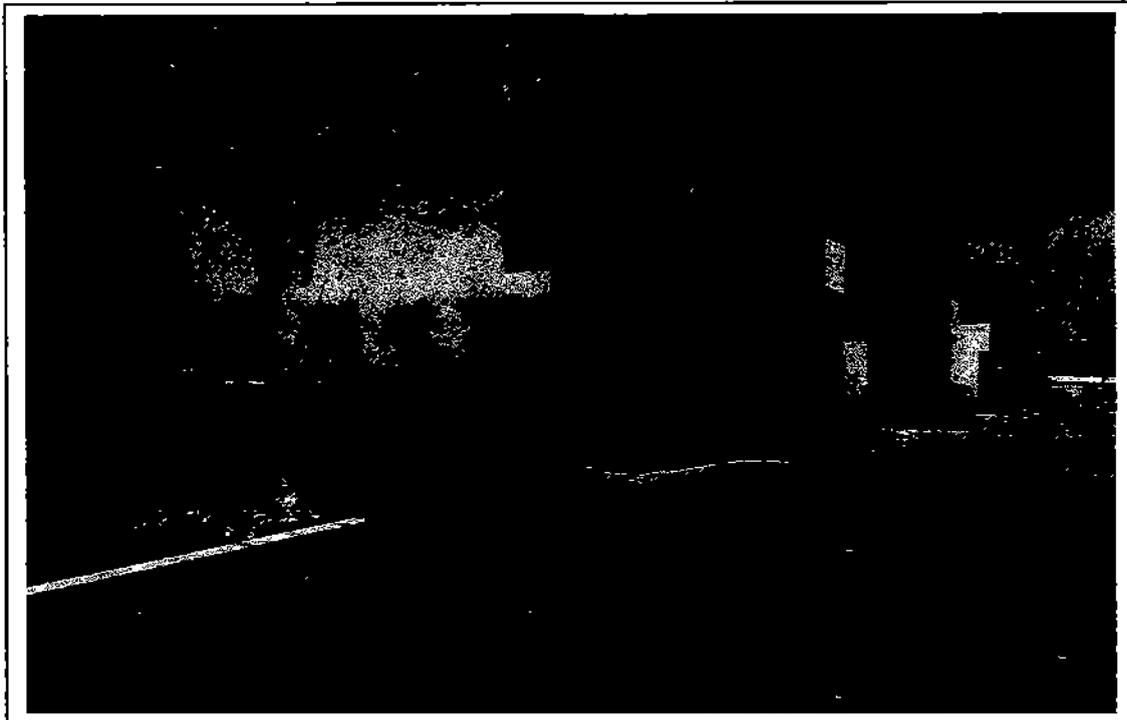


SECOND STORY FLOOR PLAN

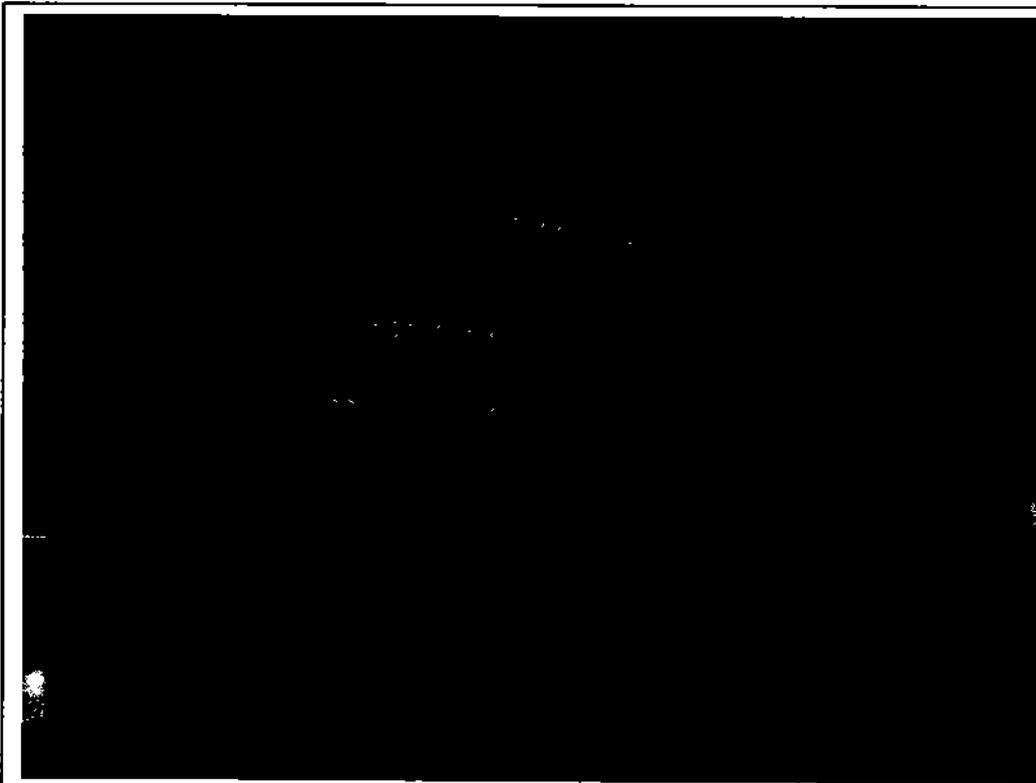
Oak Crest Villas Exhibit 4 Site Plan



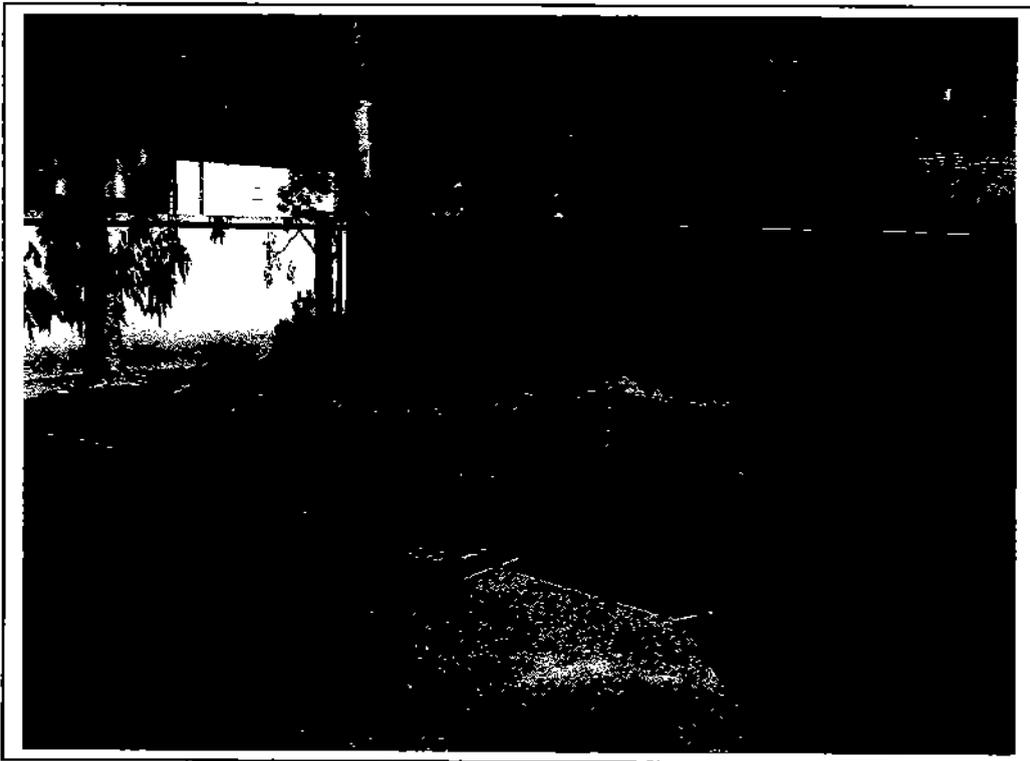
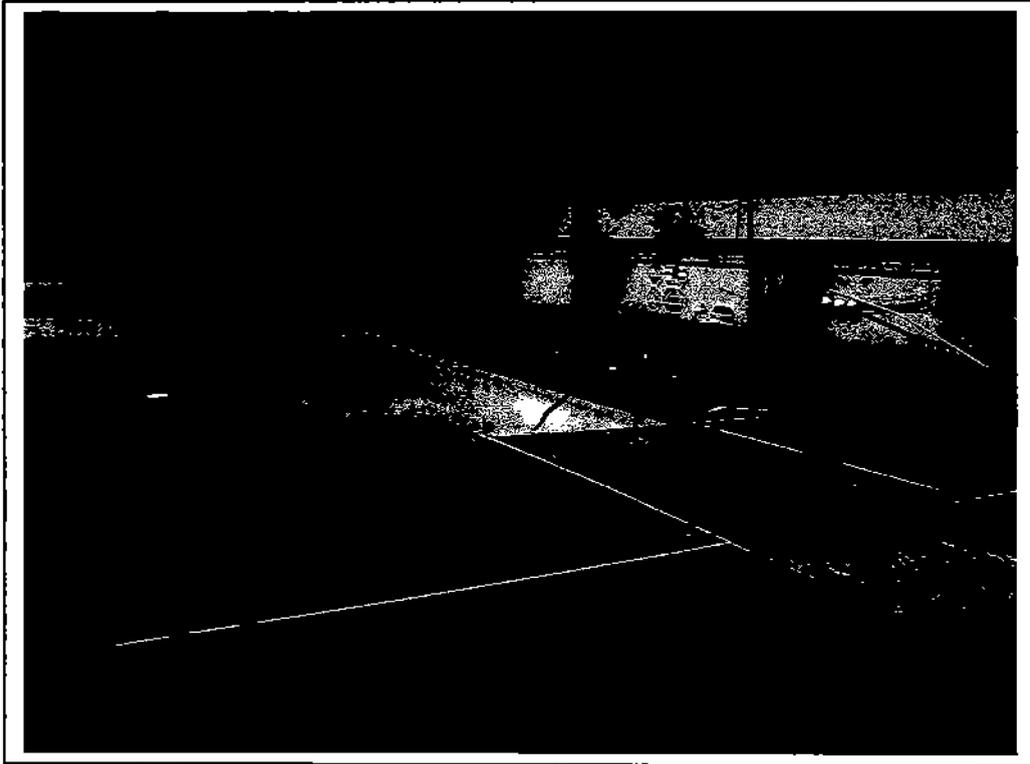
Oak Crest Villas
Exhibit 5
Photos of Exterior and of Units



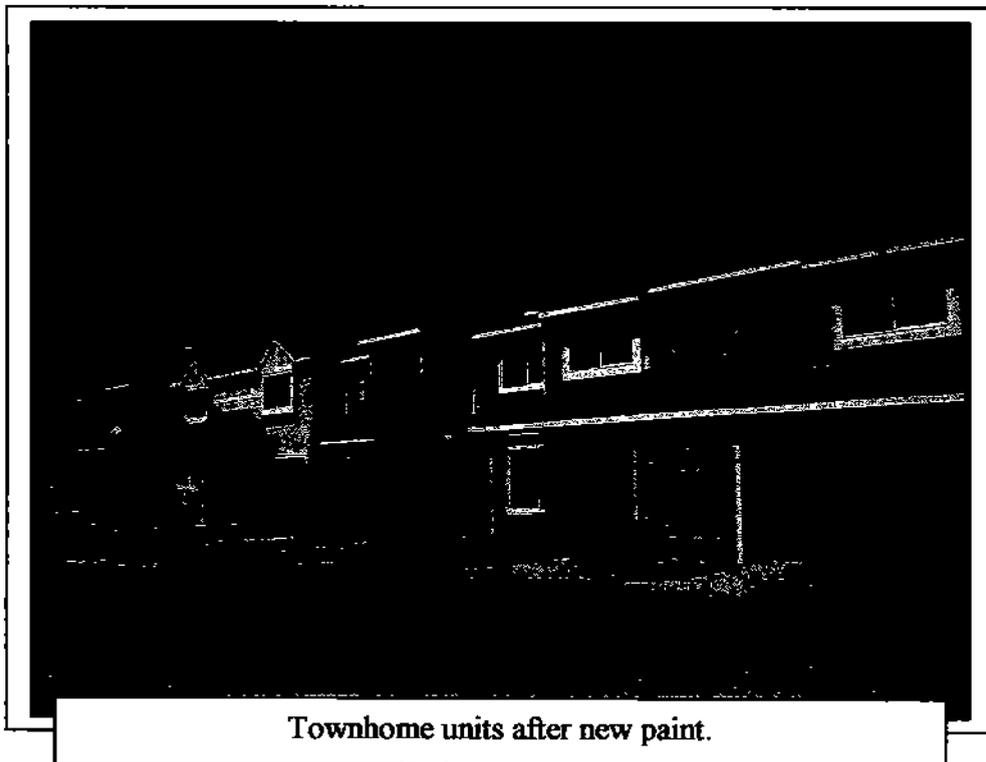
Oak Crest Villas
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Photos of Exterior and of Units



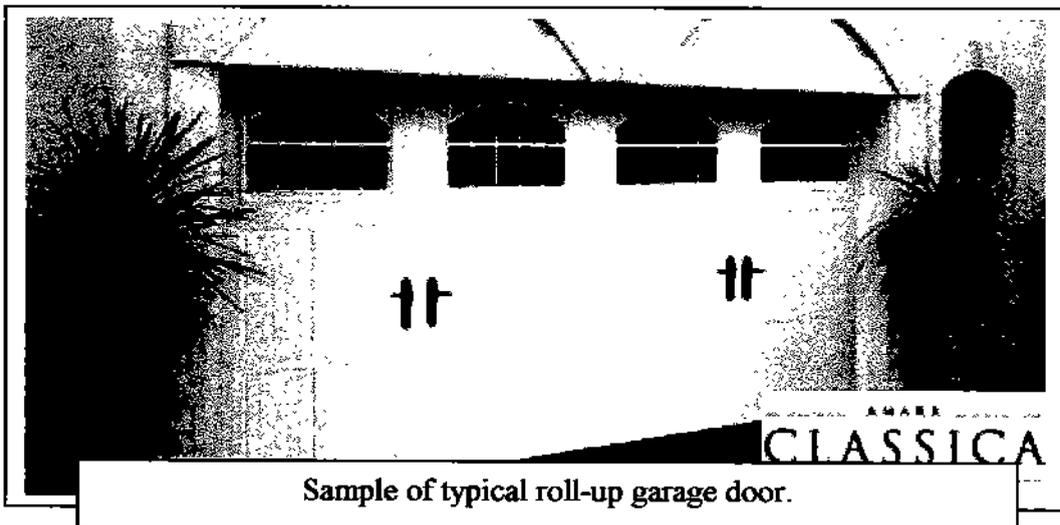
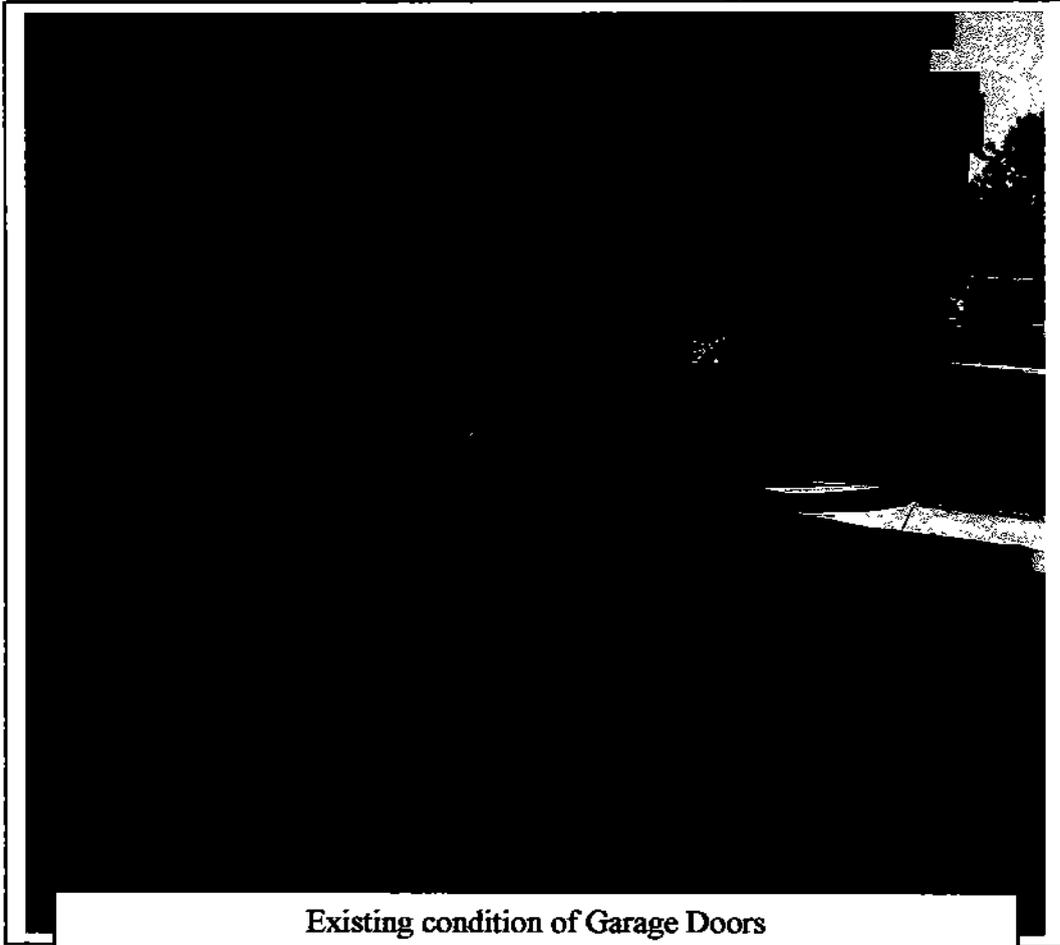
Oak Crest Villas
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Photos of Exterior and of Units



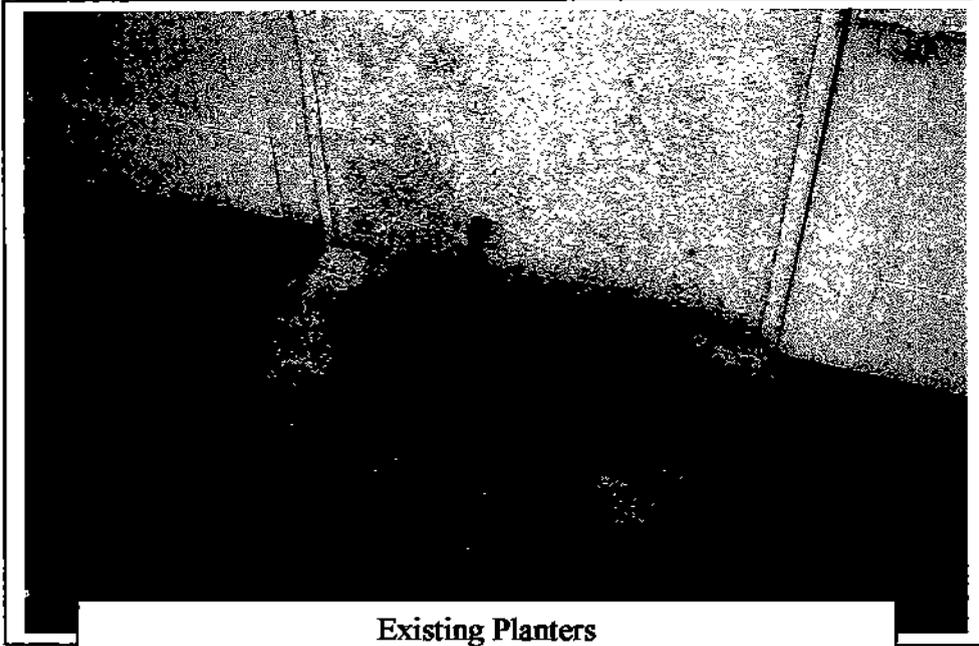
Oak Crest Villas
Exhibit 6
Example of Color Palette Improvement



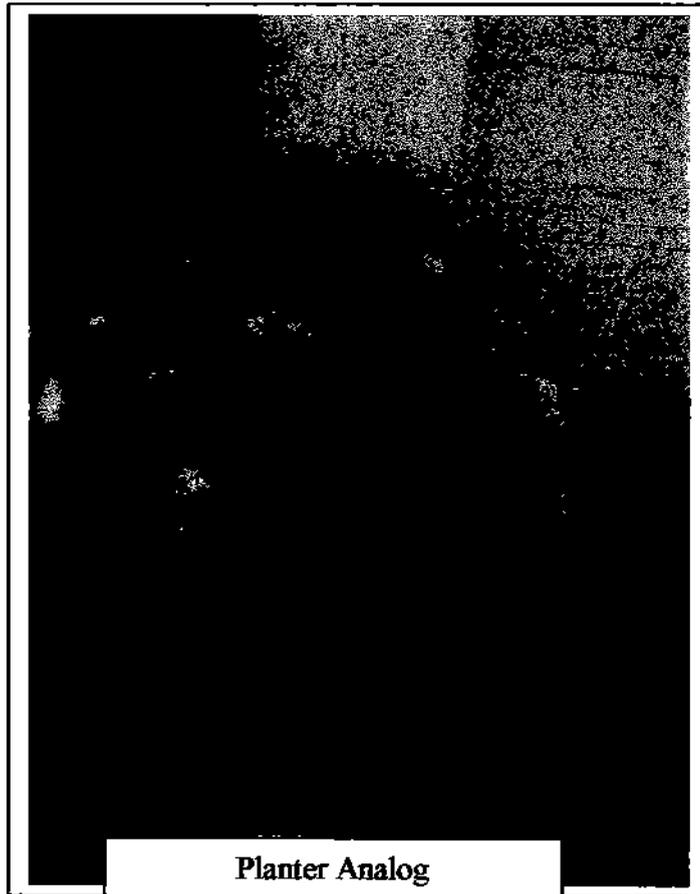
Oak Crest Villas
Exhibit 7
Garage Doors



Oak Crest Villas
Exhibit 8
Planters

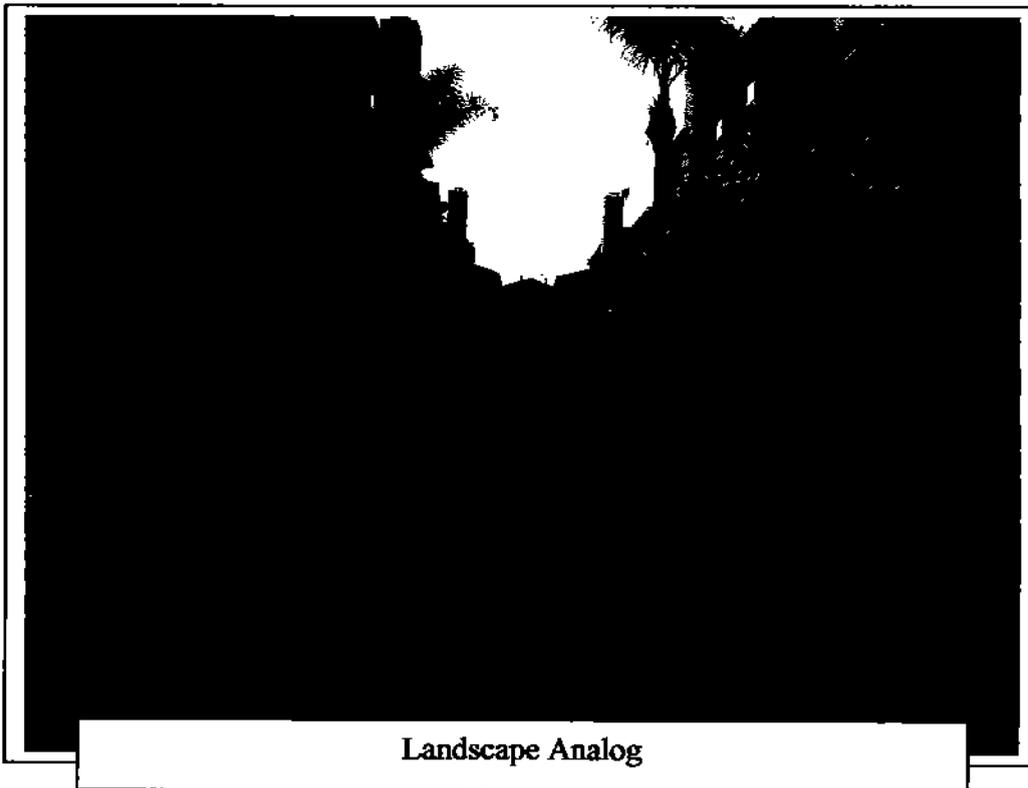
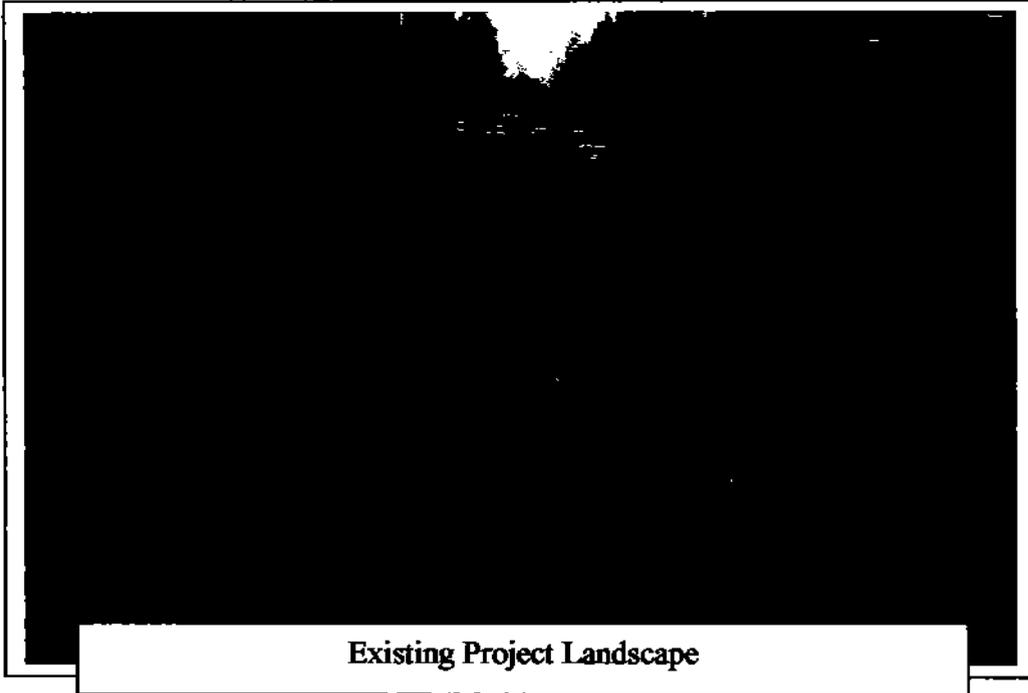


Existing Planters



Planter Analog

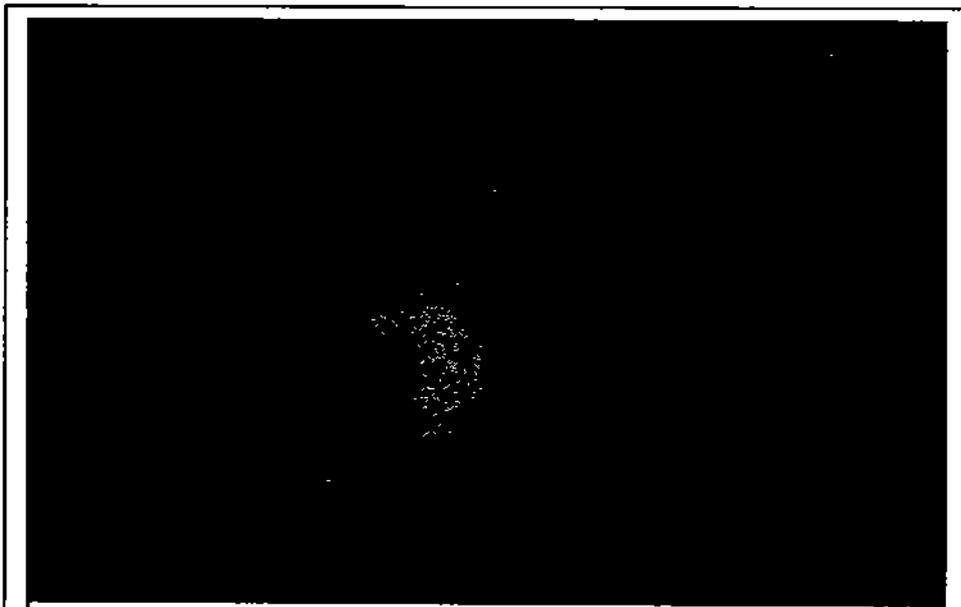
Oak Crest Villas
Exhibit 9
Landscape Enhancements



Oak Crest Villas
Exhibit 10
Drive Aisle



Existing condition of paver-style concrete at entryway to property.



Paver-style detail.

architecture
planning
interiors

WARE MALCOMB

Leading Design for Commercial Real Estate

September 23, 2005

City of Costa Mesa
DEVELOPMENT SERVICES DEPARTMENT
Building Safety Division
P.O. Box 1200
Costa Mesa, CA 92628

RE: **PROPERTY REPORT FOR
2233 FAIRVIEW ROAD
COSTA MESA, CA 92627**

Project Background.

Oak Crest Villas is located on the signalized corner of Fairview Road and Wilson Avenue in Costa Mesa, two blocks west of the 55-freeway and approximately one mile from the ocean. The complex shares property lines with existing condominiums to the west and south, and retail uses to the north. The surrounding residential neighborhood to the west consists of "pride-of-ownership" single-family housing, with public schools, parks, and services in the immediate area.

The four-building complex consists of 18 identical three-bedroom, two and one-half bathroom, two-story units with attached two-car garages which allow for direct access to the interiors. The units have living space of approximately 1,100 square feet, and feature walk-in closets, vaulted ceilings, and enclosed private patios.

There is a pool, a Jacuzzi, and additional open space, to the west of the project. Every living unit has separate electrical and gas meters, and is equipped with fire sprinklers. The buildings were constructed in 1990.

The current owner of the property has retained Ware Malcomb, a Licensed Architect, to prepare a property report which is to be submitted with the condominium conversion plan application.

Property Report

Below are our findings based on observations made during our site visits. The findings are limited to what we could physically see. We cannot comment on hidden details of construction such as footings, foundations, water and moisture intrusions, etc. Our observations are as follows:

1. The property appears to be in good condition with evidence of the normal wear and tear that can be expected to have occurred since its construction and occupancy. Cosmetic improvements such as repainting the exterior façade, tree trimming, and replacing the garage doors would greatly enhance the appearance of the property.

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irvine, california
92618

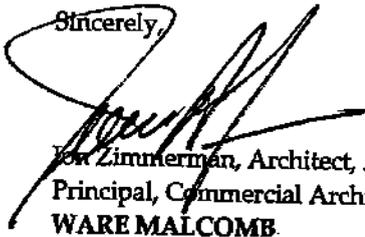
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new jersey

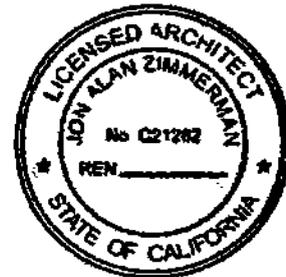
2. The roof appears to be original construction. The roof framing is constructed with rafter/joist framing. The roof material is asphalt composite shingles and appears to be in good condition. A roofing consultant can better determine the useful life remaining.
3. Based upon the date of construction, we believe it is reasonable to expect that the foundations, mechanical, electrical and plumbing systems have a useful life remaining. The slabs foundations were not visible due to carpet and floor coverings. No readily visible problems were found during the site visit. Although no invasive testing was done, no unusual cracking or displacement was noted in the concrete slab floors.
4. The driveway material is asphalt and concrete and appeared to have normal cracks without any unusual displacement. Washing the driveway and the sidewalks with a high-pressure hose and repairing the cracks would enhance the appearance of the property.
5. The pool and spa are located below ground; the water was clear and the filtration system appears to be operational. However it is recommended that the pool and spa be inspected by a pool specialist.

We look forward to working with the City of Costa Mesa on this project. Should you have any questions, please do not hesitate to call me.

Sincerely,



Jon Zimmerman, Architect, AIA, NCARB
Principal, Commercial Architecture
WARE MALCOMB





CITY OF COSTA MESA

P.O. BOX 1200 • 77 FAIR DRIVE • CALIFORNIA 92628-1200

DEVELOPMENT SERVICES DEPARTMENT

**FOR ATTACHMENTS NOT INCLUDED IN THIS REPORT,
PLEASE CONTACT THE PLANNING DIV. AT (714)754-5245.**