



PLANNING COMMISSION AGENDA REPORT

JL.6.

MEETING DATE: JULY 10, 2006

ITEM NUMBER:

SUBJECT: PLANNING APPLICATION PA-06-29
2379 AND 2381 ELDEN AVENUE (UNITS A – F)

DATE: JUNE 29, 2006

FOR FURTHER INFORMATION CONTACT: WENDY SHIH, ASSOCIATE PLANNER 714.754.5136

DESCRIPTION

The applicant proposes to convert an existing 1-story, 12-unit apartment complex into a common interest development (condominiums).

APPLICANT

Peter Zehnder is representing the property owner, Evans Trust.

RECOMMENDATION

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

Handwritten signature of Wendy Shih in black ink.

WENDY SHIH
Associate Planner

Handwritten signature of R. Michael Robinson in black ink.

R. MICHAEL ROBINSON, AICP *by 2036*
Asst. Development Services Director

PLANNING APPLICATION SUMMARY

Location: 2379 – 2381 Elden Avenue (A – F) Application: PA-06-29

Request: To convert an existing 1-story, 12-unit apartment complex to a common interest development (condominiums).

Zone: <u>R2-MD</u>	North: <u>Surrounding properties</u>
General Plan: <u>Medium Density Residential</u>	South: <u>are all residentially</u>
Lot Dimensions: <u>132 ft. x 305 ft.</u>	East: <u>zoned and</u>
Lot Area: <u>40,260 sq. ft.</u>	West: <u>developed.</u>
Existing Development: <u>12-unit, 2-bedroom apartment project comprised of 6 duplexes.</u>	

DEVELOPMENT STANDARD COMPARISON

<u>Development Standard</u>	<u>Code Requirement</u>	<u>Proposed/Provided</u>
Lot size:		
Lot width	100 ft.	132 ft.
Lot area	12,000 sq. ft.	40,260 sq. ft.
Density: Zone/GP	1 du/ 3,630 sq. ft.	1 du/ 3,355 sq. ft. ¹
Building coverage – overall project:		
Buildings	NA	35% (14,076 sq. ft.)
Paving	NA	33% (13,200 sq. ft.)
Open Space	40% (16,104 sq. ft.)	32% (12,984 sq. ft.) ¹
TOTAL	100% (40,260 sq. ft.)	100% (40,260 sq. ft.)
Min. private open space dimension	10 ft. by 10 ft. min.	11 ft. min. dimension
Building Height:	2 stories/27 ft.	1 story/12 ft.
Building separation:	10 ft. min.	18 ft. min.
Setbacks:		
Front	20 ft.	30 ft.
Side (left/right)	5 ft./5 ft.	5 ft./5 ft.
Rear	10 ft.	28 ft.
Parking:		
Covered	12	12
Open	18	12 ¹
Guest	6	0
TOTAL	36	24¹
Driveway width:	16 ft.	18 ft.
Landscape parkways – common driveway:	3 ft. min. one side/ 10 ft. combined	3 ft. min./ 6 ft. ¹ – 22 ft. combined

CEQA Status	<u>Exempt, Class 1</u>
Final Action	<u>Planning Commission</u>

¹ Existing, nonconforming.

BACKGROUND

The property contains 12, 2-bedroom apartment units (6, single-story duplexes), each with an attached single-car garage. The applicant proposes to convert the apartments into 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%.

A tract map will be required to be approved and recorded before the units can be sold independent of one another. The applicant is aware of this requirement, but did not want to incur the cost of having the map prepared until Planning Commission acted on the conversion.

ANALYSIS

Common interest developments must comply with additional development standards above those applicable to the zone where the property is located. These additional development standards include a provision for a 10-foot by 10-foot private open space for each unit, having a break in the front plane of the building of at least 4 feet every 2 dwelling units, and a provision for on-site lighting. The existing development already complies with these requirements.

The existing development was constructed in 1963 and is legal, nonconforming because the density, open space, number of parking spaces, and parkway driveway landscaping do not comply with current code for multiple-family projects – whether apartments or condominiums. The proposed change in the type of ownership will not increase the project's degree of nonconformity.

There is concern that conversions may potentially diminish the supply of rental housing and displace long-term residents unreasonably, particularly senior citizens, low- and moderate-income families, and families with school-age children. Consequently, City Council established a "critical vacancy rate" of 3% as the threshold for discouraging conversion of apartments to common interest developments. When the citywide rental vacancy rate is 3% or less, Planning Commission may deny any requested conversions. The 2000 census data indicates the City's rental vacancy rate is 2.8%.

The tenants are currently charged \$900 to \$1,400 per month in rent. Current affordable rental rates for 2-bedroom units are \$881 for very-low income, \$1,057 for low-income, and \$1,300 for moderate-income persons as established by United States Department of Housing and Urban Development (HUD). Based on this information, the monthly rents for the existing units exceed the affordable rental rates for very-low income

households. Therefore, the conversion of the units would not result in a loss of affordable rental units for the very-low income households. Six of the tenants are currently paying lower rent than the affordable rental rate for low-income persons and eleven of the tenants are paying lower rent than the affordable rental rate for moderate-income persons. These units are not required to remain affordable and the property owner does intend to raise the rent (approximately \$1,700 a month) to market value within the next couple of years if they are not converted to condominiums. Since there are no school-age children or senior citizens residing within the apartment complex, conversion of the units would not displace residents unreasonably. Staff is recommending a condition that the owner offer right of first refusal to purchase a unit to the existing tenants, with terms more favorable than those offered to the general public. If the tenants confirm that they are not interested in purchasing a unit, the property owner will be required to pay the registration fee for an apartment referral service. It is staff's opinion that conversion of the units into condominiums will not substantially diminish the supply of rental housing and displace residents unreasonably since 60% of the City's housing units are renter occupied (40% is generally the norm) and General Plan Goal LU-1A.4 seeks to "improve the balance between rental and ownership housing opportunities".

As required by Code, a property inspection report as well as a termite report was submitted, and a City property inspection report was prepared. Since these units are to be sold, it is staff's opinion that the property, as well as individual units, should be upgraded. Based on those reports, Planning staff's inspection of the site, and to allow for a general upgrading of the site, staff recommends the following improvements:

1. All exterior and interior improvements listed in the applicant's "Proposed Improvements" letter. This condition shall be completed under the direction of the Planning staff.
2. Replace all fences throughout the property. A 6-foot high, decorative block wall shall be provided on the project's perimeter property line (minimum 10-foot setback from front property line is required).
3. Replace existing driveway and redesign without a center concrete swale. This condition shall be completed under the direction of Development Services and Public Services Departments.
4. Provide decorative paving at the driveway entry areas.
5. Upgrade landscaping to satisfy current code requirements.
6. Treat termite infestations as recommended by a termite control company.

GENERAL PLAN CONFORMITY

Approval of the conversion will satisfy General Plan Goal LU-1A.4 that encourages additional home ownership opportunities in the City. The proposed conversion meets the General Plan's Land Use and Housing Element goals and objectives for additional ownership housing and will improve the balance between rental and ownership housing opportunities within the City. The units, whether utilized as apartments or

condominiums, are consistent with the Medium Density General Plan land use designation because they exist as legal nonconforming.

ALTERNATIVES

The units could continue to be rented without the proposed site upgrades, if the request is denied.

ENVIRONMENTAL DETERMINATION

The project is exempt from the provisions of the California Environmental Quality Act under Section 15301 for Existing Facilities.

CONCLUSION

Conversion of the apartments will result in a general upgrading of the property, as well as providing additional home ownership opportunities and balancing the ratio of rental to ownership housing. Additionally, current tenants will be offered right of first refusal to purchase a unit, 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
 Proposed Improvements letter
 Inspection Reports
 Location Map
 Plans

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

Evans Trust
1720 Whittier Avenue
Costa Mesa, CA 92627

Peter Zehnder
P.O. Box 15126
Newport Beach, CA 92659

Occupant
2379 A Elden Avenue
Costa Mesa, CA 92626

Occupant
2379 B Elden Avenue
Costa Mesa, CA 92626

Occupant
2379 C Elden Avenue
Costa Mesa, CA 92626

Occupant
2379 D Elden Avenue
Costa Mesa, CA 92626

Occupant
2379 E Elden Avenue
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Occupant
2379 F Elden Avenue
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Occupant
2381 A Elden Avenue
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Costa Mesa, CA 92626

RESOLUTION NO. PC-06-

**A RESOLUTION OF THE PLANNING COMMISSION OF THE
CITY OF COSTA MESA APPROVING PLANNING
APPLICATION PA-06-29**

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

WHEREAS, an application was filed by Peter Zehnder, authorized agent for Evans Trust, with respect to the real property located at 2379 and 2381 Elden Avenue Units A – F), requesting approval of the conversion of 12 apartments to a common interest development, in the R2-MD zone; and

WHEREAS, a duly noticed public hearing was held by the Planning Commission on July 10, 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-06-29 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-06-29 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 10th day of July, 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 July 10, 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 result in the displacement of school age children or senior citizens because there are no school age children or senior citizens residing in the apartment complex. Conversion of the apartments will result in a general upgrading of the property, as well as providing additional home ownership opportunities within the City. To ensure that existing tenants are not displaced unreasonably, a condition is included to require that current tenants be offered right of first refusal to purchase a unit, 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's Land Use and Housing Element goals and objectives for additional ownership housing and to improve the balance between rental and ownership housing opportunities within the City.
 - d. The planning application is for a project-specific case and is not to be construed to be setting a precedent for future development.
- C. 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 under Section 15301 for Existing Facilities.
- D. 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. The following improvements shall be made:
1. All exterior and interior improvements listed in applicant's "Proposed Improvements" letter. This condition shall be completed under the direction of the Planning staff.
 2. Replace all fences throughout the property. A 6-foot high decorative block wall shall be provided on the project's perimeter property line (minimum 10-foot setback from front property line required).
 3. Replace existing driveway and re-design without a center concrete swale. This condition shall be completed under the direction of Development Services and Public Services Departments.
 4. Provide decorative paving at the driveway entry areas.
 5. Upgrade landscaping to comply with current code requirements.
 6. Treat termite infestations as recommended by a termite control company.
2. The address of individual units shall be blueprinted on the site plan and on all floor plans in the working drawings.
 3. Prior to issuance of building permits, applicant shall contact the US Postal Service with regard to location and design of mail delivery facilities. Such facilities shall be shown on the site plan, landscape plan, and/or floor plan.
 4. Street addresses shall be displayed on the complex identification sign or, if there is no complex identification sign, on the wall in a manner visible to the public street. Street address numerals shall be a minimum 6" in height with not less than ½" stroke and shall contrast sharply with the background. Identification of individual units shall be provided adjacent to the unit entrances. Letters or numerals shall be 4" in height with not less than ¼" stroke and shall contrast sharply with the background.
 5. To avoid an alley-like appearance, the driveway shall be reconstructed without a center swale. Design shall be approved by the Planning Division.
 6. Applicant shall contact the Building Safety Division, prior to the release of utilities for any units, to provide proof that the Uniform Building Code requirements for condominiums have been satisfied, to obtain a change of occupancy permit, and to complete any additional paperwork created through this conversion.
 7. The conditions of approval and ordinance or code provisions and special district requirements of Planning Application PA-06-29 shall be blueprinted on the face of the site plan.
 8. 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.
9. 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.
 10. The CC&Rs shall disclose that the available parking on-site is 12 spaces short of the current condominium parking standards because of its legal nonconforming status.
 11. 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.
 12. The CC&R's shall require that garage spaces be used for parking, and any changes made to this provision require prior review and approval by the City of Costa Mesa.
- Bldg. 13. The following Building Division corrections shall be made:
- a. Smoke alarms required at locations referenced by the California Building Code.
 - b. Install draft stops in attic areas, separating dwelling units.
 - c. Maintain one-hour separation between garages and dwelling units.
 - d. Install water heaters per California Plumbing Code requirements.
 - e. Remove plastic piping installed in garage.
 - f. Above-ground gas lines shall be installed minimum 6 inches above grade.
 - g. Provide type B gas vent termination caps.
 - h. Provide GFCI protection for receptacles at kitchens, bathrooms, garages, and outdoors.
 - i. Remove illegal wiring methods in garages.
- Eng. 14. Submit subdivision application and comply with conditions of approval and code requirements.

Project Description

2379-2381 Elden Street

The applicant is submitting a Residential Common Interest Conversion and is proposing substantial improvements to the buildings and landscape areas as described in the accompanying Proposed Improvements.

The subject is a 12-unit bungalow style existing development currently being rented individually on a month-to-month basis. The property was originally constructed in 1963 and consists of eight units of two bedrooms and two bathrooms and four units of two bedrooms and one bathroom. Each unit has central heating and fireplaces.

There are twelve attached enclosed garages and additional open parking for twelve units. There are several areas of paved open space, which are not dedicated to parking, which may be utilized as additional parking if consistent with the new landscape plan.

The site is quite low density in its design, which affords opportunity for the developer to create a new landscape plan that takes advantage of the popular bungalow style environment of the site. Each unit has an adjacent private open area, which exceeds the requirement that no dimension be less than 10 feet.

The building is operated at market rents that are higher than the low or very low standards in The City of Costa Mesa. There are no school-aged children residing to our knowledge.

The project is extremely compatible with the neighborhood and surrounding properties, which are mostly single family, and multi family condominiums. The renovation of the homes and conversion will greatly enhance the neighborhood and provide much needed and affordable homeownership opportunities for the residents of Costa Mesa.

Proposed Improvements

2379 – 2381 Eldon Avenue.

Exterior improvements:

The existing architecture reflects a traditional bungalow design typical of the period with simple, clean lines and sloped rooflines. We intend to keep the design aesthetic intact and in fact enhance this architectural style wherever possible.

Each unit has a large private open yard/patio area, which will provide a very pleasing design element from both the exterior and interior of the units. In addition, several of the homes have attached private yards, which far exceed the typical open space found in Condominium developments

A landscape plan conforming to City standards will be submitted which will feature new plant materials which also reflect the updated design. We intend to use Native California materials with an emphasis on drought resistant plants and water conservation.

The following is a list of other exterior features which will be reflective of our architectural design:

- New exterior lighting for each unit.
- Common area lighting.
- Lighted site identification at Eldon Ave. entrance.
- New exterior doors on all units.
- New paving and/or repair of all driveways.
- New address identification on all units.
- Repair and/or replace all exterior stucco and trim.
- New exterior paint and trim features on all units.
- New automatic garage doors on all units.

Interior Improvements:

In addition to the corrections that were identified by the City of Costa Mesa Building Department we intend to make the following interior improvements subject to approval by the appropriate department or utility authority. It is our intention to keep the architectural theme consistent in the selection of materials, appliances, fixtures, and color:

- New energy efficient and code compliant windows and trim.
- New wall receptacles for electrical and data access where necessary.
- Repair / replace communication lines with high-speed Internet availability.
- Replace and/or repair all drywall and ceilings as necessary.
- Replace all floor coverings with all new materials.
- Replace and/or repair all interior doors.
- Replace and/or repair all kitchen and bath cabinetry.
- New countertops in all kitchens and baths.
- New sinks in all kitchens and baths.
- Replace all existing appliances with new energy efficient appliances in kitchens.
- Replace and/or repair all existing interior heating units with energy efficient standards.
- Replace all existing light fixtures throughout.
- Replace all existing plumbing fixtures with energy efficient fixtures.
- Replace and/or repair all existing shower/bath tubs and enclosures.
- New paint on all interior walls and trim.

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

DATE: 01-25-06

PROJECT: Residential Common Interest Development Conversion B06-00060

**ADDRESS: 2387 and 2379 Elden
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 12 units, comments generally apply to each unit.

BUILDING:

- 1) Smoke alarms required at locations referenced by the California Building Code.
- 2) Install draft stops in attic areas, separating dwelling units.
- 3) Maintain 1 hour separation between garages and dwelling units.

PLUMBING:

- 1) Install water heaters per California Plumbing Code Requirements.
- 2) Remove plastic piping installed in garage.
- 3) Above ground gas lines to be installed min 6" above grade.
- 4) Missing type B gas vent termination caps.

ELECTRICAL:

- 1) Provide GFCI protection for receptacles at kitchens, bathrooms, garages, and outdoors.
- 2) Remove illegal wiring methods in garages.

Mr. Peter Zehnder
P.O. Box 151126
Newport Beach, CA 92659

March 27, 2006

Subject: Preliminary Visual Observation Report at Residential Property located at 2379-2381 Elden Street, Costa Mesa, CA 92627.

Dear Mr. Zehnder,

As requested, hereby please find the Preliminary Visual Observation Report with regards to the residential property located at 2379-2381, Costa Mesa, CA 92627

PRELIMINARY VISUAL OBSERVATION REPORT:

General Overview – The residential property located 2379-2381 Elden Avenue, Costa Mesa, CA 92627, is a Type V- *duplex type* single story timber structures that were built around the year 1963. The 6 duplex units consist of a total of 12 apartments that vary in size from approximately 875 to 900 sq ft.

The duplex units have roof system that consists of roof timber lattice trusses located at 2'-0" on centers with standard plywood diaphragm sheathing and roof composite tiles over the typical asphalt paper.

The 6 (six) duplex units have the framing and the lateral resisting system consisting of conventional timber stud walls and plywood shear walls. The structures foundation system is a concrete reinforced slab-on-grade system with a continuous concrete reinforced spread footing. The existing driveway is asphalt paving and the property is surrounded by a wood fence on top of a masonry block stem wall on the left and right side of the property and a full concrete masonry block fence in the rear.

DJK Engineering, LLC was requested to perform a preliminary observation in order to evaluate the structural integrity, safety and soundness of the existing structures as well as the general condition of the existing residential property located at the above address.

Requested Services Performed – As requested, on March 27, 2006 DJK Engineering, LLC had performed a Preliminary Visual Observation with regards to the existing property structures that were built around the year 1963, for structural safety, integrity and soundness as well as the general overall condition of the property located at the above address.

The visual observation was limited to the general area of the existing exterior and interior wall systems, existing foundations and slab-on-grade, existing roof framing system, existing exterior patio slabs-on-grade, existing driveway and existing property fences for structural integrity, safety and soundness as well as the general overall condition of the existing structures.

Overview of the items observed – During the March 27, 2006 preliminary visual site observation of the above residential property the following items were observed:

- Overall, the complex is in fair aesthetic condition. Items such as exterior stucco, masonry fence repair, repainting units, re-paving and replacement of some exterior light fixtures can enhance the exterior appearance of the units.
- Windows and doors in all units appear to be original; windows are single-pane. Although original to the overall design of the building, we would recommend updating all windows to double-pane glass for energy conservation. All window and door hardware are in good working condition.
- The current owner has informed the parties that the roof on the main structure was replaced recently. The roof has a 30 year lifespan upon installation and appears to be in fair condition. Based on our visual observation, the present useful life of all 6 units roofs are consistent with manufacturer standards of 30 years.
- Based upon the date of construction, 1963, all piping appears to be copper. It is our opinion that one should expect that the foundations, mechanical, electrical and plumbing systems have a useful life remaining as expected for such type of buildings. Although foundations and slab-on grade may require repair work, such repair will extend the expected life span for type of residential structures. Exposed items, such as fixtures and fittings, are in good condition and do not appear to require replacement.

- The interior conditions of the units are in fair condition for buildings of this age. Repainting work as well as some work that may be required to repair and patch the interior walls and ceiling and the existing brick fireplaces would greatly enhance the project.
- All kitchens appear to be from the original construction and are in good working condition. The owner has reported the replacement of some stoves, but has not done anything else to the kitchens. Kitchen cabinet replacement may not be necessary.
- The units' hot water needs are serviced by 40 gallon water heaters located in the garage. The water heaters are approximately 7-10 years old. The water heaters have proper seismic strapping. It is unclear if the water heaters are energy efficient units. Our recommendation is to have the water heaters properly inspected by a plumbing contractor and upgraded to an energy efficient units if needed in accordance with the 10/2005 State Regulations.
- Most of the flooring in the units is carpet except for the kitchen and bathroom where vinyl flooring has been installed. The flooring is generally in fair condition with a few areas that will require flooring replacement due to normal wear and tear.
- From the visual observation only, the foundations of the structures and attached garages do not appear to be failing; however in some areas some structural repair may be required. The asphalt paved driveway however was observed as having cracks and could be repaired by re-paving and applying one coat of slurry seal.
- From exterior observations, the back property masonry unit fence is leaning considerably and in need of repairs. Repair of the fencing can enhance the appearance of the property. The masonry wall enclosing the trash bin area is in good condition and does not need any repairs.

Recommendations - Based on the Preliminary Visual Observation dated March 27, 2006 with regards to the structural safety, integrity and soundness as well as the general condition of the structures located at 2379-2381 Elden Street Costa Mesa, CA 92627 it is recommended that the existing foundations, driveway, drywall, stucco and existing fence deficiencies be repaired as soon as practical.

No representation is made as how long any structural system or structural component elements of the existing structure will last or continue to function as intended by the original design.

The conditions noted in this preliminary visual observation report are as of the day of the visual observation only, and are related only to the items observed. No destructive testing was performed to identify any possible structural issues or any other issues related to the plumbing, mechanical or electrical items.

In Conclusion -- The conditions noted in this Preliminary Visual Observation Report are as of the day of the visual observation only. DJK Engineering reserves the right to supplement this Preliminary Observation Report if any new structural or any other issues are discovered and brought to our attention. During the preliminary visual observation on March 27, 2006 no architectural, mechanical, electrical or structural plans, structural calculations nor any soil report were made available for our review and evaluation.

If requested, DJK Engineering may provide a more complete report and an in-depth analysis if necessary, based on the evaluation of the complete architectural and structural plans on the record, that may be available with the City of Costa Mesa or the Home Builder and based on the structural calculations of the record, as well as upon the review of a current geotechnical report.

Should you have any additional questions and /or may need any additional information do not hesitate to contact us at 949/458-9169.

Sincerely



Desi J. Kiss, M.S., P.E.
Director of Engineering





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.**