

Resolution for Emergency assessment to cover costs of City of San Diego required repairs to balconies and breezeway areas from SB326 inspection, roof replacement, and termite tenting for Pacific Heights.

Per Section 4.5 of the CC&Rs, an emergency situation is any one of the following:

- (i) An extraordinary expense required by an order of a court;
 - (ii) An extraordinary expense necessary to repair or maintain the Common Area for which the Association is responsible where a threat to personal safety is discovered; and
 - (iii) An extraordinary expense necessary to repair or maintain the Common Area that could have not been reasonably foreseen by the Board in preparing and distributing the current year's operating budget.
- Balcony and breezeway repair emergency justification: California's SB 326, also known as the "Balcony Inspection Law," mandates that condominium associations conduct visual inspections of exterior elevated elements (EEEs) like balconies, decks, and walkways, with inspections required every nine years by a licensed structural engineer or architect. This inspection was conducted for Pacific Heights in 2023 by a licensed architect in conjunction with repair contractor Empireworks (see Exhibit 1). On January 31, 2024 the City of San Diego Bureau of Land Use Enforcement (BLUE) sent the HOA a letter identifying required repairs based on this inspection (see Exhibit 2). The repairs were completed by licensed contractors during 2023 and 2024 (see invoices and receipt attachment in Exhibit 3). Some repairs identified as High Priority in the 2023 report remain to be done in 2025 (see proposal attachment in Exhibit 3). After reviewing the repairs BLUE closed the case against Pacific Heights without assessing penalties in January 2025 (see Exhibit 4). These repairs had insufficient reserve funding to cover the repair costs per the 2023 reserve study. The SB326 portion of the assessment is the difference between the reserve funding and actual + proposed emergency costs for the walkways and balconies. The board believes this qualifies as an emergency per CC&R sections 4.5.i, 4.5.ii, and 4.5.iii above.
 - Roof replacement emergency justification: During 2023 and 2024 an extraordinary amount of roof leaks occurred causing significant disruption to owners and repair costs to the HOA (see Exhibit 5). Because the roof was consistently leaking during heavy rains, and because the 2023 reserve study showed the roof to be past its useful life, in 2024 the board deemed roof replacement necessary and voted to begin replacing it despite insufficient reserve funding (see Exhibit 6). This replaced 2/3 of the roof. There are insufficient reserve funds to replace the final 1/3 of the roof (see exhibit 7). The roof portion of the assessment is the difference between the reserve funding and actual + proposed replacement cost for the roof. The board believes this qualifies as an emergency per CC&R sections 4.5.ii and 4.5.iii above.
 - Termite tenting emergency justification: Termite fumigation is generally recommended every 3-5 years and has not been done in at least 13 years at Pacific Heights. Several units have requested spot treatments for termites. After inspection, our pest control vendor recommends fumigation for the property and there are insufficient reserves to cover the cost. The termite treatment portion of the assessment is the difference between the reserve funding and the proposed cost of fumigation (see Exhibit 8). The board believes this qualifies as an emergency per CC&R sections 4.5.iii above.

- Assessment calculation:

Repair item	Reserve Line item(s)	Reserve year	Reserve Balance	Cost	Reserve shortfall	Work Completed	Notes
SB326 Support wall repair cost - Best Rate	No reserve line item in 2023 study	2023	\$ -	\$ (11,409.30)	\$ (11,409.30)	yes	See Exhibit 3
SB326 Breezeway and walkway repair costs incurred - Best Rate	Common Deck Topcoat	2023	\$ 5,400.00	\$ (56,163.00)	\$ (50,763.00)	yes	See Exhibit 3
SB326 Final repairs and permitting of support wall - Empireworks	No reserve line item in 2023 study	2023	\$ -	\$ (11,570.34)	\$ (11,570.34)	yes	See Exhibit 3
SB326 Fascia replacement - Protec	Wood Trim - Replace Contingency	2023	\$ 5,333.00	\$ (4,355.00)	\$ -	yes	See Exhibit 3
SB326 Remaining High Priority repairs (Red in 2023 inspection report)	Unit Balconies Topcoat	2023	\$ 1,378.00	\$ (26,044.00)	\$ (24,666.00)	no	See Exhibit 3
Roof phase 1 & 2	Built-Up Roofing / Roof Maintenance	2023	\$ 111,309.00	\$ (201,400.00)	\$ (90,091.00)	yes	See Exhibit 6
Roof phase 3	Built-Up Roofing / Roof Maintenance	2025	\$ 22,204.00	\$ (79,250.00)	\$ (57,046.00)	no	See Exhibit 7
Termite tenting	Termite Treatment	2025	\$ 11,466.00	\$ (32,250.00)	\$ (20,784.00)	no	See Exhibit 8
Total			\$ 157,090.00	\$ (422,441.64)	\$ (266,329.64)		Reserve shortfall = Total Emergency Assessment Amount
Allocation of Total Emergency Assessment Amount based on Article II Section 2.21 and Section 2.2.2 of CC&Rs of Pacific Heights Condominium Owners Association:							
					Annual	Monthly (12 months)	
Per unit 1 bedroom assessment amount					\$ (4,860.52)	\$ (405.04)	*Undivided Interest In Common Area for 1 bedroom units of 0.01825 *Amount
Per unit 2 bedroom units 118 & 218 assessment amount					\$ (6,178.85)	\$ (514.90)	*Undivided Interest In Common Area for 2 bedroom units 118 & 218 of 0.0232 *Amount
Per unit other 2 bedroom units assessment amount					\$ (6,152.21)	\$ (512.68)	*Undivided Interest In Common Area for all other 2 bedroom units of 0.0231 *Amount

- Assessment schedule:

4/30/2025	Resolution for emergency assessment adopted
7/1/2025	1st installment of assessment due
8/1/2025	2nd installment of assessment due
9/1/2025	3rd installment of assessment due
10/1/2025	4th installment of assessment due
11/1/2025	5th installment of assessment due
12/1/2026	6th installment of assessment due
1/1/2026	7th installment of assessment due
2/1/2026	8th installment of assessment due
3/1/2026	9th installment of assessment due
4/1/2026	10th installment of assessment due
5/1/2026	11th installment of assessment due
6/1/2026	12th (final) installment of assessment due

- Supporting Detail



- Exhibit 1 - SB326 report

Exhibit 1 - SB326 inspection report.pdf



- Exhibit 2 - BLUE notice

Exhibit 2 - BLUE Notice.pdf

- Exhibit 3 - 2023 SB326 reserve amounts and invoices, receipts, and proposals for repair costs

Percent Funded Analysis

Pacific Heights Condominium Owners Association

Units: 50 | Start Date: 1/1/2023

Current Percent Funded: 61%

Component	UL	RUL	Effective Age	Current Replacement Cost	Starting Reserve Balance	Annual Fully Funding Reqmt.	Fully Funded Reserve Balance	Annual Reserve Contrib.
	A	B	C	D	E	F	G	H
ASPHALT & CONCRETE SURFACES								
Asphalt Overlay 1-2"	25	18	7	\$45,465	\$7,778	\$1,819	\$12,730	\$708
Asphalt Seal, Stripe & Repair	5	0	5	\$5,153	\$3,148	\$1,031	\$5,153	\$401
Concrete Surfaces - Repair Contingency	10	0	10	\$8,200	\$5,010	\$820	\$8,200	\$319
			Total	\$58,818	\$15,936	\$3,669	\$26,083	\$1,428
BUILDING EXTERIOR								
Wood Trim - Replace Contingency	5	2	3	\$12,000	\$4,399	\$2,400	\$7,200	\$934
			Total	\$12,000	\$4,399	\$2,400	\$7,200	\$934
PAINTING								
Common Deck Topcoat	5	0	5	\$7,840	\$4,790	\$1,568	\$7,840	\$610
Laundry Room Int.	5	0	5	\$1,200	\$733	\$240	\$1,200	\$93
Stucco Surfaces	10	7	3	\$60,400	\$11,071	\$6,040	\$18,120	\$2,351
Unit Balconies Topcoat	5	0	5	\$2,000	\$1,222	\$400	\$2,000	\$156
Wood Surfaces - Exposed	5	2	3	\$9,500	\$3,483	\$1,900	\$5,700	\$740
Wrought Iron Entry/Rear Balconies	5	2	3	\$7,040	\$2,581	\$1,408	\$4,224	\$548



Exhibit 3 - SB326 repair invoices and receipts.zip



Exhibit 3 - SB326 High Priority repairs.pdf

Exhibit 4 - BLUE closure of SB326 case

Cesar Llamas <cllamas@empireworks.com> to Bryan
Fri, Nov 22, 2024, 10:17 AM

Is there anything we can get that states that the code violation case has been closed or cleared

Monaghan, Bryan <BMonaghan@sandiego.gov> to me
Mon, Nov 25, 2024, 9:09 AM

Please use this email, thank you.

Monaghan, Bryan to me
Wed, Jan 22, 12:52 PM (6 days ago)

Cesar, I did find the case number which is **CE-0526405**. I spoke to Sam and let him know as of 1-22-25 that the **case is closed due to the repairs completed and PMT-3304622 is final and complete**. Thank you very much.

Bryan Monaghan
Senior Combination Inspector
City of San Diego
Development Services Department
BLUE (Building Land Use and Enforcement)
☎: 619-533-6134
BMonaghan@sandiego.gov

Need help? Book a [free virtual appointment](#) to schedule assistance from DSD staff.

Need to contact my supervisor for a second opinion?
If you disagree with a staff member's code interpretation, you can request a second opinion from the supervisor. Contact Assistant Deputy Director, Lisa Poston at 619-236-7706 and LPoston@sandiego.gov

Exhibit 5 - check register detail and invoices for roof repair and remediation expenses 2022-2024



Exhibit 5 - 2022 - 2024 Antis check register.pdf



Exhibit 5 - 2022 - 2024 Servpro check register.pdf

- Exhibit 6 – 2023 roof reserve amounts and replacement costs incurred

Pacific Heights Condominium Owners Association									
Percent Funded Analysis									
Units: 50 Start Date: 1/1/2023									
Component	UL	RUL	Effective Age	Current Replacement Cost	Starting Reserve Balance	Annual Fully Funding Reqmt.	Fully Funded Reserve Balance	Annual Reserve Contrib.	
	A	B	C	D	E	F	G	H	
Wrought Iron Stairwells	5	2	3	\$1,280	\$469	\$256	\$768	\$100	
			Total	\$89,260	\$24,349	\$11,812	\$39,852	\$4,598	
ROOFING									
Built-Up Roofing	15	0	15	\$151,200	\$92,381	\$10,080	\$151,200	\$3,924	
Gutters & Downspouts	30	0	30	\$17,360	\$10,607	\$579	\$17,360	\$225	
Roof Maintenance	1	0	1	\$15,000	\$9,165	\$15,000	\$15,000	\$5,839	
			Total	\$183,560	\$112,152	\$25,659	\$183,560	\$9,989	



Exhibit 6 - Roofing Invoices.zip

- Exhibit 7 – 2025 roof reserve amounts and proposed replacement costs

Pacific Heights Condominium Owners Association									
Percent Funded Analysis									
Report as of: 10/9/2024 Start Date: 1/1/2025									
Component	UL	RUL	Effective Age	Current Replacement Cost	Starting Reserve Balance	Annual Fully Funding Reqmt.	Fully Funded Reserve Balance	Annual Reserve Contrib.	
	A	B	C	D	E	F	G	H	
Laundry Room Int.	5	0	5	\$1,298	\$212	\$260	\$1,298	\$109	
Stucco Surfaces	10	5	5	\$90,600	\$7,388	\$9,060	\$45,300	\$3,806	
Unit Balconies Topcoat	5	0	5	\$2,750	\$449	\$550	\$2,750	\$231	
Wood Surfaces - Exposed	5	3	2	\$10,275	\$670	\$2,055	\$4,110	\$863	
Wrought Iron Entry/Rear Balconies	5	3	2	\$8,360	\$545	\$1,672	\$3,344	\$702	
Wrought Iron Stairwells	5	3	2	\$1,881	\$123	\$376	\$752	\$158	
			Total	\$125,944	\$10,090	\$16,129	\$61,866	\$6,776	
ROOFING									
Built-Up Roofing	15	1	14	\$123,200	\$18,753	\$8,213	\$114,987	\$3,451	
Built-Up Roofing - PVC	20	20	0	\$123,200	\$0	\$6,160	\$0	\$2,588	
Gutters & Downspouts	30	0	30	\$18,777	\$3,062	\$626	\$18,777	\$263	
Roof Drains	20	20	0	\$9,000	\$0	\$450	\$0	\$189	
Roof Maintenance	1	0	1	\$16,224	\$2,646	\$16,224	\$16,224	\$6,816	
			Total	\$290,401	\$24,462	\$31,673	\$149,987	\$13,306	



Exhibit 7 - Phase 3 Roofing Estimate.pdf

- Exhibit 8 – 2025 termite treatment reserve amount and proposed treatment costs

Pacific Heights Condominium Owners Association								
Percent Funded Analysis				Report as of: 10/9/2024 Start Date: 1/1/2025				
Current Percent Funded: 16%								
Component	UL	RUL	Effective Age	Current Replacement Cost	Starting Reserve Balance	Annual Fully Funding Reqmt.	Fully Funded Reserve Balance	Annual Reserve Contrib.
	A	B	C	D	E	F	G	H
MISCELLANEOUS								
Mailboxes	30	6	24	\$7,030	\$917	\$234	\$5,624	\$98
Signage	20	10	10	\$3,786	\$309	\$189	\$1,893	\$80
Termite Treatment	10	0	10	\$70,304	\$11,466	\$7,030	\$70,304	\$2,954



Exhibit 8 - Termite treatment cost estimate.pdf