

CORRESPONDENCE
RECEIVED BY THE CITY CLERK'S OFFICE

**Villa Miradero North Homeowners Association
2810 Miradero Drive, Santa Barbara, CA 93105**

Santa Barbara City Clerk's Office
735 Anacapa Street
Santa Barbara, CA 93102

10 April 2013

Re: Rebuttal to February 22, 2013 Appeal of #BLDG2013-00236

To Whom It May Concern:

This document with attachments is submitted on behalf of the homeowners of the Villa Miradero North Homeowners Association in response to the February 22, 2013 Appeal of the Santa Barbara City Architectural Board of Review (ABR) decision of February 19, 2013. That appeal letter is as Attachment 1. This package is intended to demonstrate that the appeal is without merit. The Association proposal was fully documented, approved by a vote of the homeowners, and approved unanimously by the ABR.

The Association Board of Directors' position on this issue is clear and consistent with the decision of our homeowners. On January 22, 2013, subsequent to the vote of our homeowners, the Board President received a letter from one resident demanding a presentation to the ABR. On February 19th three Board members including the President presented the Association proposal to the ABR. On February 20th, following the ABR decision, the remaining members of the Board expressed their written support for the action taken.

The five allegations which constitute the basis for the appeal, in paragraphs 5 and 6 of the appeal letter, are false in their entirety.

First allegation: "The last maintenance has been admitted to have been done incorrectly..."

On the contrary, the last maintenance was the best that could have been done under the circumstances. Since their completion in 1963 the trellises have proven to be a financial burden for the community. Periodic maintenance could not stay ahead of the continuous deterioration caused by exposure to the elements; and in 2006 the Board implemented a massive repair and replacement program that ran 100% over budget, ultimately costing homeowners \$104,000. The specific maintenance "fix" that was implemented in the hope of correcting the problem is detailed as Attachment 2. The issue with the trellises is that the design itself is fundamentally flawed and cannot be corrected or fixed by modifying the

trellis-beam attaching mechanisms. The current problems are not related to the attempted corrective action of 2006, and this was explained to the homeowners in the June 10, 2011 Association Newsletter article as Attachment 3, "TO BE OR NOT TO BE", and again as part of the homeowner ballot as Attachment 4.

Second allegation: "...plus maintenance has not been done as set aside in the HOA Reserve."

This statement is not true. Routine maintenance is funded from the HOA Operating & Maintenance Budget, not HOA Reserve. Over the past six years minor maintenance has been performed on some trellises exhibiting significant deterioration. An additional \$20,000 was added to the Reserve Account for scheduled trellis repair in 2012 in conjunction with overall facility repainting, not routine maintenance, as per Attachment 5.

Third allegation: "Monies have been recently taken out of the budget therefore a Special Assessment was requested."

This statement is not true. Reserve funds are dedicated to specific infrastructure projects. They cannot, by law, be used for other purposes, and they were not. The \$20,000 is in the bank. That amount is insufficient, and that is the reason a Special Assessment vote was required.

Fourth allegation: "A previous vote to keep the trellid (sic) was approved by the majority of the homeowners."

This statement is not true. There was never such a vote until December 20, 2012 which was the basis for the Association proposal to remove the trellises. In fact, 6 years earlier, during the Association's Annual Meeting on November 28, 2006, a number of homeowners pleaded for the opportunity to vote on this issue but were denied. During this meeting the Board Chairperson, because of a personal preference for the trellises, simply declared that the issue had not been, and would not be, subjected to a vote of the homeowners. And it was not, until last year. An unedited transcript of the trellis portion of that 2006 Homeowner Meeting is as Attachment 6.

Fifth allegation: "... and monies that were newly absent from the budget resulted in a majority of those responding to the vote, but not a majority of the homeowners, was to remove the trellis."

This statement is not true. Of our 43 homeowners, 29 cast a ballot, and of those, 22, which constituted both a majority of those responding and an absolute majority of the homeowners, voted to remove the trellises. Just 6 homeowners voted for the assessment necessary to retain the trellises. The voting results are in the Association proposal to the ABR as Attachment 7.

Note: Because of the significance of the vote on this issue, our Management Company, Bartlein & Co., distributed an explanatory notification to homeowners on November 17, 2012 in advance of the balloting so there would be no confusion as to the requirements for passing a special assessment, stating "If the Association only receives 22 ballots back, just 12 ballots voting in the affirmative (the majority of the quorum of 22) is needed to pass."

Functionally, as regards the appellant's suggestion in paragraph 4 of the appeal, that the trellises offer shade, it is safe to say that at a certain time of the day during a certain period of the year the trellises contribute a modicum of shade. However, based on an examination of their numbers and orientation there does not appear to be any correlation to suggest that the trellises were installed as anything other than a decorative feature. See Attachment 8 for a brief discussion of this issue.

Architecturally, the Association's proposal to eliminate the visual clutter created by the trellises will bring our facilities into conformance with the surrounding neighborhood by revealing the tiled rake which will enhance the Spanish-style appearance of our homes.

With the appeal the City Council is being asked to:

- 1) Disregard the facts and accept as truths the falsehoods that comprise the appeal,
- 2) Overturn the vote of our homeowners,
- 3) Overturn the unanimous vote of the Architectural Board of Review,
- 4) Impose a \$93,000 financial burden on the Association.

Thank you for your time and consideration. The Board of Directors on behalf of the homeowners of the Villa Miradero North Homeowners Association request that you deny the appeal.

Sincerely,



David Miller
President, Board of Directors
Villa Miradero North HOA

8 Attachments a/s

Anne Senuta
2836 Miradero Dr.
Santa Barbara, CA 93105

RECEIVED

2013 FEB 22 PM 4:30

CITY OF SANTA BARBARA
CITY CLERK

February 22, 2013

Santa Barbara City Clerk's Office
City Hall
De La Guerra Plaza
735 Anacapa St.
Santa Barbara, CA

To Whom It May Concern:

This letter is being created within great time constraints to ask for the Appeal of Santa Barbara City Case #BLD2013-00236 approved by the Architectural Board of Review on Tuesday February 19, 2013. The permit was approved for the removal of "decorative" trellis and capping of beams at 2712-2836 Miradero Drive.

At least one Board Member was not notified of the scheduling of this Review nor had they seen the application. There was no notification to the Homeowners of the meeting, and those interested in presenting their opposing views on the topic were not able to do so.

There are homeowners who appreciate the architectural design of this extension of our roofline and beams from the interior to the outside through the floor to ceiling glass wall providing an indoor outdoor living look that has been kept since these were built in 1963.

Protection of our glass walls and shade is also provided by this overhang.

The last maintenance has been admitted to have been done incorrectly plus maintenance has not been done as set aside in the HOA Reserve. Monies have been recently taken out of the budget therefore a Special Assessment was requested. These create the ability to say it is too expensive for upkeep.

A previous vote to keep the trellid was approved by the majority of homeowners. The recent vote after more deterioration that was not addressed and monies that were newly absent from the budget resulted in a majority of those responding to the vote, but not a majority of the homeowners, was to remove the trellis.

I am requesting an opportunity for more information to be presented for review before demolition of the property begins at 8am on Monday, February 25 as notes were slipped into mailboxes today, Friday Feb. 22, has let us know. Out of town or offsite owners most probably have less notice if any.

Sincerely,



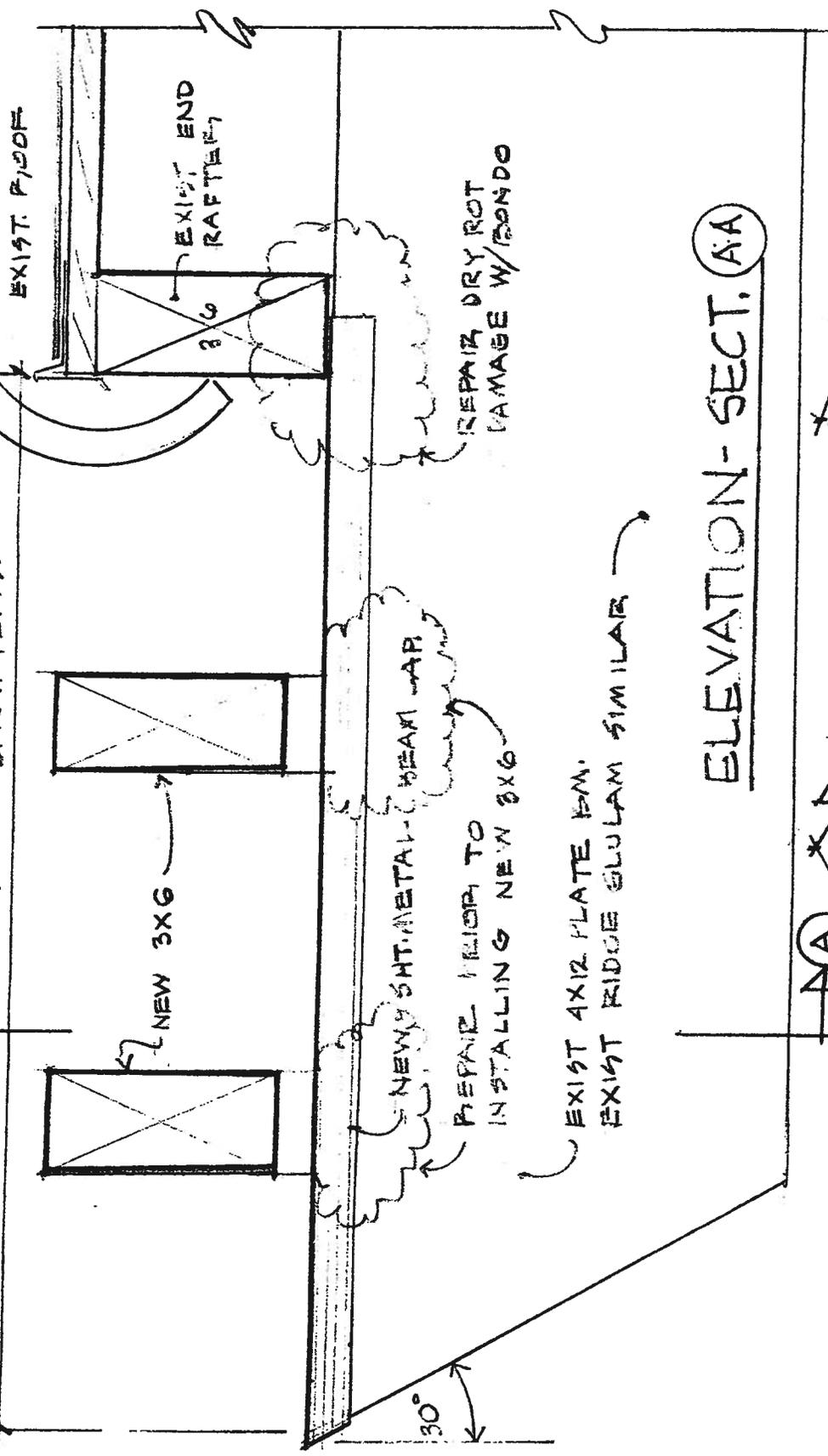
Anne Senuta
enclosure

H 805-569-0501

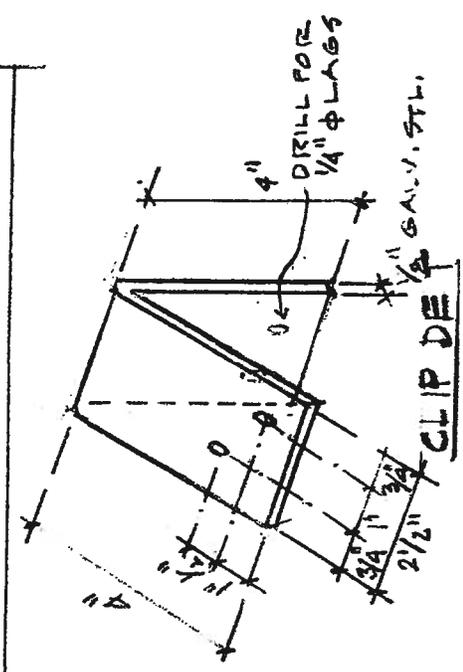
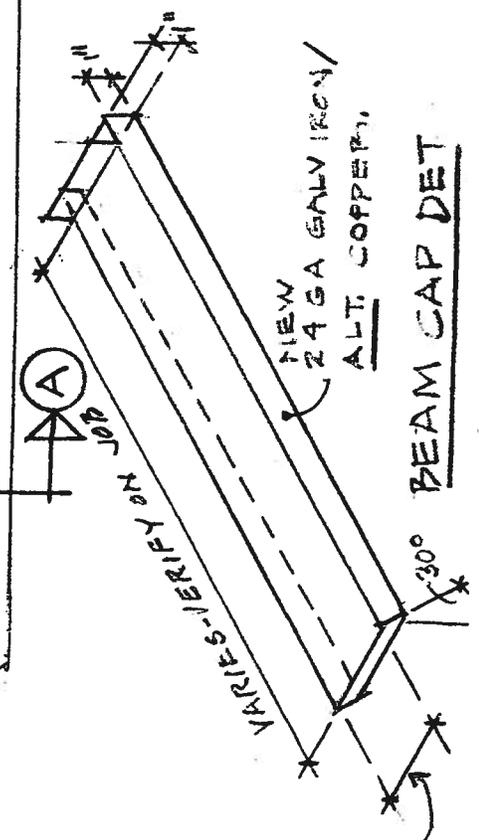
C 805-453-1460

**N. ADELPHO NORTH
TRELLIS REPAIRS**

VARIABLES - SOME TRELLIS HAVE 3 RAFTERS.

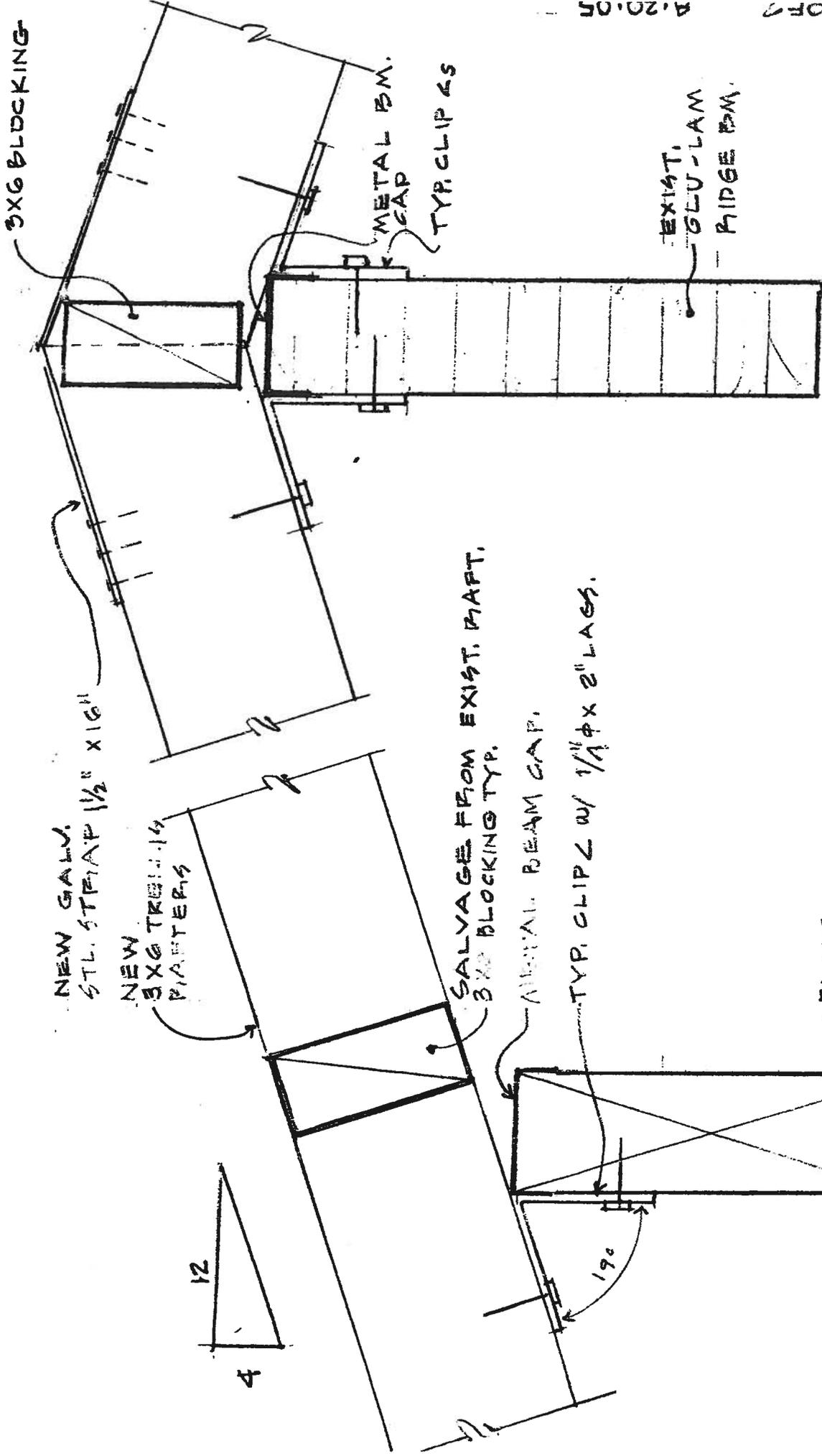


ELEVATION- SECT. AA



VARIES - AX12 PLATE BEAM # 3/4 X 1 1/2" GLULAM RIDGE BEAM

MIRAFLEJO NORTH
TRELLIS REPAIRS



3X6 BLOCKING

NEW GALV.
STL. STRAP 1/2" X 16"

NEW
3X6 TRELLIS
PISTONS

12
4

SALVAGE FROM EXIST. TRUSS
3X6 BLOCKING TYP.

METAL BEAM CAP.

TYP. CLIP \angle W/ 1/4" X 2" LAGS.

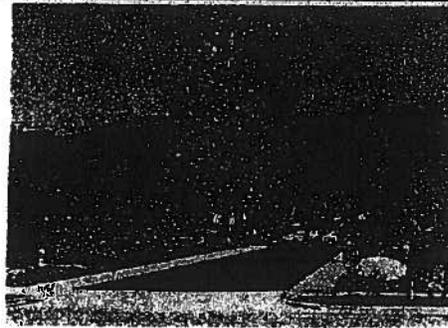
EXIST.
AXIS PLATE BEAM.

METAL B.M.
CAP
TYP. CLIP \angle S

EXIST.
GLU-LAM
RIDGE B.M.

NOTE: REPAIR BEAMS
WITH DRYROT & TERMITES
DAMAGE PRIOR TO RESET

SECT. AA



**VILLA MIRADERO NORTH
HOMEOWNERS' ASSOCIATION**

--- NEWSLETTER ---

June 10, 2011

SPECIAL ASSESSMENTS NOW DUE

The one-time Special Assessment of \$225 to proceed with the application to apply for the Fannie Mae approval list was due June 1.

In addition, the first of five installments to proceed with the condominium conversion process was also due on June 1. It may be paid in full or in installments, as follows:

- \$400 due on June 1, 2011
- \$400 due on August 1, 2011
- \$400 due on October 1, 2011
- \$400 due on December 1, 2011
- \$400 due on February 1, 2012

Please remember that the special assessment is due on the 1st of the month and is late after the 15th of the same month. Otherwise, there will be a 10% late charge. If you are on the automatic pay program, you will still need to write check(s). Please make your check(s) payable to "Villa Miradero North Homeowners Association" and send it to Bartlein & Company, Inc., 3944 State Street, Suite 200, Santa Barbara, CA 93105-3170. Remember to write "Special Assessment" on the memo line.

NEW FORMAT OF MINUTES

You may notice a change in the format of the attached minutes for the May meeting. This is a direct result of an allegation from one of the attorneys engaged by a homeowner, who informed the Board that the minutes "have not

fulfilled the obligation of the Board to clearly relate..." and are lacking in clarity. In the interest of avoiding any future conflicts and potential litigation, issues of the minutes will be considerably condensed, effective with the May meeting.

**CONDOLENCES TO
PHYLLIS WESTWICK and FAMILY**

On behalf of VMN, the Board would like to extend its condolences to Vice Chairman Phyllis Westwick and her family on the death of her husband, Jim. With his deep, booming voice, Jim was a long-time neighbor who was a delight to meet under any circumstances. He was always cheerful, easily apt to share an amusing self-deprecating story, and interested in everyone he met. We will sincerely miss his smile, style, and zest for living.

BRIEF CONDO CONVERSION UPDATE

The Committee contacted two title companies whose estimates both ranged between \$600 - \$650 per unit. One title company indicated an unknown further amount for outsourcing the research. In addition, one of the title companies performed a preliminary title search (no charge) and determined that there are only 14 deeds of trust on VMN units. This is very good news as it can make the conversion process much easier, having so few lenders with whom to deal.

(Continued on next page)

VILLA MIRADERO NORTH OWNERS ASSOCIATION

Two land surveyors were contacted: one estimate was between \$300 - \$350 per unit; the other for \$1,186 per unit. Checking with the County Assessor's Office, the Committee confirmed that our property will not be re-assessed. There is some confusion with the County Tax Collector's Office whether we may have to pay the full annual tax bill in advance.

Another discrepancy uncovered is that one loan officer at Santa Barbara Bank & Trust professed a willingness to provide financing with 40% down from a qualified buyer; another loan officer says it might be considered on an exceptional basis, but not too likely.

The Committee had a meeting with Steve McGuire, Esq. on May 4th. After reviewing our legal documents, and knowing that even though twenty-eight owners voted in favor of the special assessment to accomplish this legal change, he suggested that he prepare a simple amendment to the CC&R's that drops the two-thirds vote to a majority for conversion only. If the "short amendment" is approved, it would also apply to lenders, as the law interprets our CC&R's to require two-thirds of their approval too, for the conversion to pass. Mr. McGuire, speaking from experience, has indicated how difficult it is to get two-thirds of lenders to agree, so he has suggested we lower our approval rate to 51% -- which would hold for both owners and lenders. However, it is important to stress that it would take two-thirds of the owners to approve this change. If the "short amendment" did not receive 29 votes, we would be discovering this at the beginning of the process instead of the end.

TO BE OR NOT TO BE

In the years preceding 2005, the Villa Miradero North HOA invested a considerable amount of money repairing and replacing the trellis rafters (trellises) attached to the three support beams extending from the end of each of forty of our units. The Association was fighting a losing battle to preserve 120 beam extensions and their 164 attached trellises from continuing deterioration. The factors contributing to the deterioration included a design that exposes beams and trellises to the elements, extended and unsupported trellis length that fostered warping of the trellises, dark paint that absorbed heat and promoted the breakdown of the painted surfaces, and – most critically – a construction technique that involved a seat-cut notch in the trellises to attach them to the support beams. This method of attachment defined the primary locations of termite infestation and rot.

In 2005, Gene Weston submitted a proposal to the Board that involved replacing the seat-cut attachment technique with angled brackets that would avoid the wood-on-wood contact problem. He further proposed covering the exposed ends of the supporting beams with metal "caps" and splicing replacement sections to damaged beams. His was an effective solution to those problems. In the six years since implementation, there has been no noticeable deterioration either at the beam/trellis connection points or along the tops of the capped supporting beams.

However, the remaining problems – weather, exposure, paint, and extended trellis length – could not reasonably be addressed. That combination of factors has, in the subsequent

VILLA MIRADERO NORTH OWNERS ASSOCIATION

six years, resulted in trellis warping, paint peeling, and continued deterioration in the original unspliced sections of the beams. The extent of trellis warping and paint peeling is evident throughout the complex. No unit is immune. The total extent of damage to the supporting beams is unknown, but a dramatic example is shown in the photo below.

Your Board is now considering two options to address the ongoing problems:

1) Retain the existing design by removing 41 damaged trellis members and replacing them with new ones, repair any damaged support beams as they are located, and repaint all trellises and beams. This option will cost approximately \$40,000;

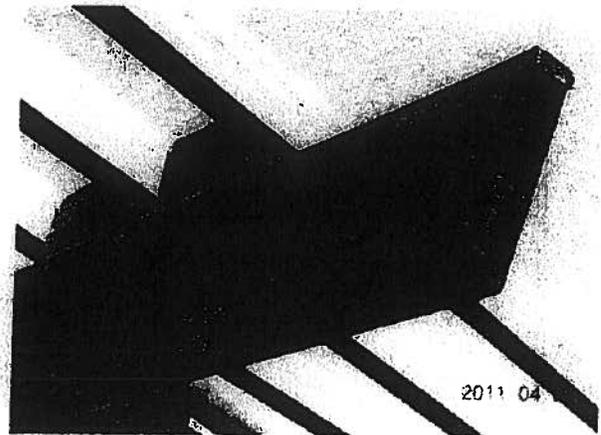
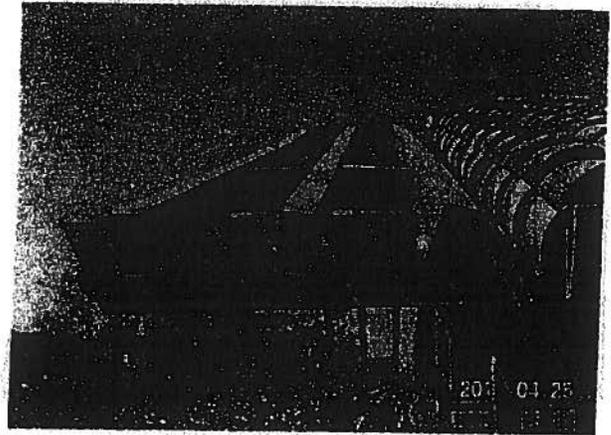
2) Remove the trellises permanently, cut back the support beams at the existing angle to approximately four inches from the eave and cover them with the salvaged metal caps described above. This option will cost approximately \$20,000.

With either option there are pro's and con's, many of which were addressed at the May 19th Board of Governors meeting. This article is meant to introduce the subject to the homeowners before a final decision is reached. Due to the significance of the decision, the Board decided to solicit homeowner input. To encourage that input, we have provided an approximation of what a unit would look like under option 2 in the form of a demonstration site – admittedly incomplete and rather gawky. Ms. Vera Krogh at 2818 has graciously offered her unit for this purpose. We have removed the trellises (we have to leave “reduced-beam-length” to your imagination since we may have

to replace trellises back onto those beams if option 2 is not selected). This demonstration site will better reveal the finished tile design at the rake and the contrast in beam deterioration between that section under the eave and that exposed to the elements.

Please check out unit 2818 and provide your thoughts to the Board. This item is on the agenda for the June 16th meeting at which time the Board may make a decision.

- Building Maintenance Committee



VILLA MIRADERO NORTH

HOMEOWNERS ASSOCIATION

November 2, 2012

Hello Villa Miradero North Homeowners,

This mailing comes to you presenting a matter of importance to Villa Miradero North homeowners – the trellises on our haciendas.

As you may remember, the trellises underwent major and costly repair and replacement in 2006, at a cost of \$92,000. It is time that trellis work needs to be done again.

A presentation of background and discussion of trellis maintenance, an in-depth cost analysis, and a large color photo showing the appearance of a hacienda with trellises removed is included in this mailing.

We hope that you find these materials clear and informative.

Also included in this mailing are a vote ballot, ballot procedures, and inner and outer envelopes for return of the ballot.

We ask that you vote now on one of two options related to trellis maintenance.

Please observe the ballot procedures, vote your choice, and mail or deliver your completed ballot to be received by the Inspector of Elections, Lily Sanders, 2816 Miradero Dr, Santa Barbara, CA 93105, before the start of the vote count process at the regular Board Meeting on December 20, 2012.

Your vote is very important to Villa Miradero North HOA.

Sincerely,

VMN Board of Governors

November 2, 2012

TRELLISES BACKGROUND/DISCUSSION

In the spring of 2011, the Association's Building Maintenance Committee (BMC) developed and distributed solicitations detailing two options to address the trellis issue; one to repair and replace selective trellises and their supporting beams, and one to remove the trellises and shorten the supporting beams. Responses from five vendors were evaluated and the results presented to the Board of Governors at the 21 July 2011 meeting.

Option 1 provided for replacement of some 41 trellis members, repair of the supporting beams, retaining the existing protective caps and painting for \$40,000, plus additional unspecified out-year maintenance costs.

Option 2 involved removing the trellises completely to reveal the finished tile design at the roofline, reducing the length of the supporting beams, and retaining the existing protective caps, subject to Architectural Board of Review approval if required. It was the BMC's position that this option would update the appearance of the haciendas with a one-time cost of \$20,000 and incur only minimal out-year maintenance expenses.

At attachment 2 is a photographic rendering of the look for a typical VMN hacienda as recommended by the BMC, with reduced beam length and revealed-tile finish. With reference to this photo it is necessary at this time to explain that the trellises are not an integral architectural or structural feature of our haciendas. They are original, but not integral. As an illustration, the ridge beams supporting the roofs are integral in the sense of being fundamental to the structure. The trellises and their supporting beams are neither structural nor integral.

During the Board meeting in August several homeowners objected to the Board's pending vote to remove the trellises, one homeowner stating that the trellises could be salvaged and repaired, i.e.; straightened, and selectively replaced for considerably less than the \$40,000 as presented by the BMC. Thereupon, the Board suspended its vote and appointed a Trellis Committee consisting of Gene Weston, Jerry Homan, Chris Clayton and Robert Liebman to develop a proposal for repair and replacement that would not exceed \$40,000.

Over the course of the next twelve months this committee performed an independent assessment of the trellises, conferred with several contractors, and concluded that the trellises could not feasibly be replaced selectively, but would again have to be totally replaced (as had been done previously in 2006 at a cost exceeding \$90,000). To compensate for the unsupported and extended length of the trellises the committee proposed adding more wood to the structures by inserting wood bracing-blocks between the trellis members to minimize the warping they predicted would inevitably occur due to the trellises' length and exposure to the elements, blocking which would change the appearance of the

trellises (July 19, 2012 Trellis Committee Status Report to the Board). This proposal became the new Option 1.

The cost of this option should be considered in the context of the total infrastructure costs looming on the 2013 horizon. The price tag is \$93,000, quite possibly more (this includes \$6,000 maintenance set-aside for future years), as estimated by the Finance Committee per attachment 1. This option, because of its complexity and unknowns, requires the services of a project manager (licensed building contractor with insurance for condominium projects) to develop solicitations, oversee repair/replacement of wood damaged by termites, treatment of exposed surfaces, selection and installation of trellis and bracing-material, and painting of exterior wood surfaces on all units to protect against future infestation. Estimates for Project Management range from \$10,000 to \$50,000; the Finance Committee chose \$15,000 for their \$93,000 total estimate. The Association currently has \$20,000 earmarked for trellis repair. Because of the project's unknowns and the imprecision of estimated costs, the \$20,000 would be used to cover costs that exceed current estimates and thereby limit the special assessment to \$2,200 per unit. In addition to this possible \$2,200 assessment in 2012, homeowners will be asked to vote in 2013 on an additional assessment potentially as high as \$2,200 to complete the Condo Conversion and accomplish scheduled infrastructure projects (See VMN 2013 FINANCIAL & BUDGET). This brings the total potential assessments subject to homeowner approval for the next two years to \$4,400 under the Option 1 scenario.

The scope and complexity of Option 2 is significantly less and would be managed by the Association's reconstituted BMC as proposed in 2011. The \$20,000 referenced above would fund the project and obviate the necessity for an assessment in 2012. However, there is still the 2013 Condo Conversion assessment referenced above, bringing the total potential assessment subject to homeowner approval for the next two years to \$2,200 under the Option 2 scenario.

With this information regarding the complexity and potential costs of the two options, it is the homeowners who will make the final determination through this Special Assessment ballot.

Attachments:

- 1) Trellis Project Cost Analysis
- 2) Photo of Hacienda w/o trellises

Cost Analysis for Trellis Replacement and Repair of Support Beams

The Trellis Committee estimated that the cost of removal and replacement of all trellis members plus the cost of repair (or removal and replacement) and refinishing of their support beams will be \$60,000, but this estimate did not include a fee for daily on-site supervision of the project, nor did it specify if any additional costs would be incurred for time and materials (T&M). The Trellis Committee also failed to draft a proposed scope of work that could be sent out for bids.

Given that all VNM trellis members were replaced approximately 6 years ago, it is clear that there is a useful life for an average trellis member that must be taken in to account in order to begin now to accumulate monies in the Reserve Fund sufficient to pay for future trellis removal and replacement (just as Reserve monies are collected in advance for reroofing and replacement water heaters). The Finance Committee (FC) estimates that with a significant upgrade in trellis and support beam maintenance that the useful life for all VMN trellises and their support beams should be about 10 years.

According to California law, all such Major Repair and Replacement (MR&R) projects in a condominium are to be paid from Reserves that have been accumulated in advance of the dates when the actual work must be done. The law also requires that a Reserve Study be conducted every three years to determine whether or not adjusting the schedule for specific projects is warranted based on updated information about the true costs of the items on the list of future projects -- including changes in the cost of labor and materials -- and to add, if appropriate, additional projects/items to the MR&R list. The law takes this approach in order to insure (a) that future projects are identified and funded in advance, and (b) to avoid to the degree possible the need for Special Assessments to pay for the full cost of an MR&R project. Unlike a local or State government, condo associations are not empowered to borrow to pay for such projects.

Reserve funds are accumulated monthly as a portion of every monthly assessment (the other portion of the monthly assessment is used to fund annual operating expenses). In addition whatever is saved in the course of a scheduled MR&R project (as a result of good project management, lower-than-estimated costs and/or luck), or saved at the end of the year from annual operating expenses due to good cost management, good weather and/or luck, is also returned to the Reserves. The problem facing VNM Home Owners now is that when the trellises were replaced 6 years ago, no provision at all was made to estimate and fund the replacement of trellises in the future. That, in a nutshell, is why a Special Assessment would be necessary, and also why the amount being requested must be greater than simply the costs associated with trellis replacement in the current year. We cannot afford to skirt California condo law by failing to fund Reserves sufficient to begin paying now for future trellis replacement.

The Finance Committee considers removal/replacement cost estimated by the Trellis Committee to be a significant underestimate and suggests that the original estimate be increased by twenty percent (\$12,000) to \$72,000. The Finance Committee, after consultation with others who have significant project management experience, feels that it is fiscally prudent and arguably necessary to include the cost of an independent manager to provide daily, on-site supervision, and that a project of the size and scope of the proposed project would entail a total management fee of roughly \$15,000. The FC has therefore recommended that this cost also be included in the calculation of the Special Assessment. In addition, to begin the required accumulation of Reserves to pay for a similar project in ten years, The FC recommends that \$6,000 be included this year in the Special Assessment, and that next year (i.e., in 2013) the monthly assessment be increased by \$12 per month per unit which will be assigned to increase the Reserve Fund for future trellis replacement. Finally, to insure

that the investment made in new trellises not be wasted, the FC recommends that the monthly assessment also be increased by an additional \$25 per month per unit in order to pay for anticipated additional costs associated specifically with annual trellis maintenance (for example, painting trellises and beams with high-gloss paint, and immediate repair and repainting as necessary to maintain their appearance).

Breakdown of Proposed Special Assessment:

Estimated cost for Time and Materials	\$72,000
Estimated cost for Project Management	\$15,000
Contribution to Reserve Fund for 2012	\$ 6,000

Total	\$93,000
Special Assessment per unit:	\$ 2,163



Optimized Cash Flow Analysis for Villa Miradero North Owners Association

RESERVE COMPONENTS	Estimated Useful Life (years)	Estimated Remaining Life (years)	Estimated Current Cost to Replace	Fiscal Year Beginning Jan 1, 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017
RESIDENCE ROOFS									
Tile Roof Underlay - #2720,2732	40	26	\$149,700						
Tile Roof Underlay - #2742	40	27	\$83,200						
Tile Roof Underlay - #2758	40	28	\$66,500						
Tile Roof Underlay - #2816,2824	40	30	\$133,100						
Tile Roof #2750,2766,2808,2836	40	31	\$282,700						
Flat Roofs- Bldgs #2720, 32, 42	20	8	\$8,600						
Flat Roofs- Bldgs #2758	20	9	\$2,900						
Flat Roofs- Bldgs #2816, 2824	20	10	\$5,800						
Flat Roof #2750,2766,2808,2836	20	11	\$11,500						
Roof Repair/Maint. 2011/12/13	6	0	\$10,000	\$10,000	\$10,300				
Raingutters & Downspouts (Phased)	20	1	\$52,000		\$26,780	\$27,583			
GARAGES									
Garage Flat Roofs (4) 2009	20	17	\$18,000						
Garage Flat Roofs (3) 2010	20	18	\$27,000						
Garage Doors (17) 2009	30	27	\$12,300						
Garage Doors (30) 2010	30	28	\$24,000						
PAINTING									
Stucco Paint (Units & Garages)	15	10	\$51,400						
Trellises - Paint/Repair	6	0	\$20,000	\$20,000					
Wood Trim Paint (Units & Garages)	6	1	\$54,000		\$37,080				
Front/Back Doors - Paint	8	4	\$4,000					\$4,502	
STREETS & DRIVEWAYS									
Asphalt Sealcoat/Stripe 2009	4	1	\$6,000		\$6,180				\$6,956
Asphalt Patch (Partial Areas)	4	1	\$5,800		\$5,974				\$6,724
Asphalt Grind & Replace	22	12	\$82,900						
Concrete Paving/Root Barriers	1	0	\$2,000	\$2,000	\$2,060	\$2,122	\$2,185	\$2,251	\$2,319
Entry/Park Area Upgrade	One-time	3	\$15,000				\$16,391		
SWIMMING POOL									
Pool Resurface 2003	20	12	\$12,500						
Pool Filter & Pump	10	6	\$2,000						
Pool Skimmers - Replace	30	12	\$3,600						
Concrete Pool Deck	45	2	\$30,000			\$31,827			
Pool Area Lights & Motion Sensors	40	2	\$7,500			\$7,957			
POOL BUILDING RENOVATE									
Pool Building Renovation	One-time	2	\$50,000			\$53,045			
Pool Solar System Replace	18	2	\$10,000			\$10,609			
Pool Pump House Renovation	One-time	2	\$12,000			\$12,731			
IRRIGATION SYSTEM									
Irrigation Controllers (2011)	15	14	\$5,000						
COMMON UTILITIES									
100-Gal Water Heaters (1/Year)	1	0	\$3,000	\$3,000	\$3,090	\$3,183	\$3,278	\$3,377	\$3,478
Potable Water Lines (2011/12)	One-time	0	\$55,000	\$55,000					
Water Softener Enclosures - I	One-time	4	\$30,000					\$33,765	
Water Softener Enclosures - II	One-time	5	\$30,000						\$34,778
MISCELLANEOUS									
Termite Treatment (Phased)	1	0	\$9,000	\$9,000	\$9,270	\$9,548	\$9,835		
Custom Signs (2008/12)	40	1	\$10,000		\$10,300				
Unscheduled Capital Expense	1	0	\$1,000	\$1,000	\$1,030	\$1,061	\$1,093	\$1,126	\$1,159
Inflation factor applied each year				1.000	1.030	1.061	1.093	1.126	1.159
Estimated total reserve expense	(Costs adjusted for Inflation)			\$100,000	\$112,064	\$159,666	\$32,782	\$45,021	\$55,414
CASH FLOW FORECASTS									
Annual reserve funding	RECOMMENDED →			\$55,896	\$57,572	\$59,300	\$61,079	\$62,911	\$64,798
Special Assessment: Plumbing & Pool Bldg Renovate \$2000/unit, 2014						\$86,000			
After-tax interest earnings	(on reserve account)			\$488	\$372	\$227	\$190	\$266	\$314
Gross reserve account income				\$56,383	\$57,944	\$145,527	\$61,268	\$63,176	\$65,112
Annual reserve expense	(from total above)			\$100,000	\$112,064	\$159,666	\$32,782	\$45,021	\$55,414
Net annual reserve income	(reserve expense - reserve income)			(\$43,617)	(\$54,120)	(\$14,140)	\$28,486	\$18,155	\$9,698
Reserve Acct - Beginning of year				\$183,000	\$139,383	\$85,263	\$71,124	\$99,610	\$117,765
Reserve Account - End of year				\$139,383	\$85,263	\$71,124	\$99,610	\$117,765	\$127,463

(Numbers refer to numbers on the Sony Tape Machine counter)

- # 1-90 Maggy Cara's opening speech to homeowners
 Bob Bartlein - Budget Matters (referring to a copy that presumably all homeowners have)
- #90 - 315 Earthquake Insurance
 #100 - Tiiu's comments re Northridge Earthquake
 #225 - Q about consequences of NOT having earthquake insurance, and Bob Bartlein's response
- #315 Co-Mingling of Funds
 Maggy's comments
 Whitney's Question: Re whether the current Board gave written authorization to Bartlein
 #341 Bonnie asking for clarification of the process of the Board giving authority to Bartlein (i.e., is it renewable every 30 days by the Board? and when was the permission given?)
 #344 Bob Bartlein - "it automatically continues until someone wants to . . ."
 #345 Maggy - The authorization was given to Bartlein at the July 2006 Board meeting - continues until the Board changes it??

#347

Trellis Issue:

Q - By unknown person (Joe Petrini? Dale Whitney?)

"Another question . . . for the Board in power --

"Now, about the - what I undertand was a cost overrun to repair the trellises . . . \$40,000 cost overrun . . . What was supposed to be \$50,000 was now \$90,000 . . . my understanding is . . . the Board \$3,000, as homeowners (garbled) . . . So, was that cost overrun approved and paid for without asking the homeowners' approval which would be counter to . . . so I'm asking, did something like that happen?

A - Bob Bartlein - "I don't believe there was any request for approval by the homeowners

Q - "No, no, it's in the CC&R's

Comment (Diane Hemmer?) - "Only if it's a non-budgeted item . . . this was a budgeted item that went over, but it was a budgeted item."

A Bob Bartlein - "Well, my understanding is that those CC&R's . . . position . . . has been overruled by the California Civil Code, I may be wrong, you probably should get some legal advice if you're concerned. But my understanding is that the Civil Code gives the authority to the Board regardless of what your CC&R's say . . . but that may be wrong."

Joe Petrini: "But this lady here says it's OK because it was a budgeted item . . ."

"I would take issue with that . . .(garbled)."

#355

Gene Weston: "Unfortunately there has been a misunderstanding as to what happened. We started out with the trellises which consisted of two elements, rafters and beams. The rafters are not structural, the beams are structural. As we progressed through the units – there are 120 beams that we have in the whole development. As we started through the process of checking them . . . (garbled) . . . we found it was much, much, much worse than ever anticipated -- they had been covered up very nicely by about 3 or 4 coats of paint, and if you're curious about what it was – I've got some pictures . . ."

Joe: "Actually my point about it is this"

Weston: "We had no way of estimating "

Joe: "It's a matter of what I . . . as communicating with the homeowners . . . going over it with them after the fact and talking about what are we going to do, it's a lot worse than we thought - that's the point - now, I can see where a lot of people would want to go -- I can see where some people would say well I don't know – it's really not a matter of how much needed to be done, it's . . . the cost of it . . . from my understanding, is not dealing with . . ."

Weston: "But the thing is, if we hadn't done anything – some of those beams were so far gone they would start to fail, and when that happens the roof starts to fail."

Tiiu Jacobson: I have no problem with the dry rot - you have to take care of it. The question I have is was that work put out for bid, were there two or three . . ."

Weston: "Two bidders - one was twice that of the lower bidder, but that did not include the dry rot because we had no idea of how much there was. There was absolutely no way of knowing."

Bonnie: "Well, the other question was whether repairing the trellises or not, without going into – belaboring it -- there were a lot of people, because of the cost overrun, that did not want to keep the trellises and somebody made the decision without consulting with homeowners as to whether we should keep the trellises or not because of aesthetics and du-du-de-duh, and I happened to have had a bid for \$8,000 to cut them all off – \$8,000! To cut them ALL off -- just get the trellises off – and that does not affect the beams – "

Weston: "Yes it does."

Bonnie: "Well, to a certain extent, yes. But we weren't – NOBODY -- NO homeowners were ever consulted – that's the bottom line."

#373

Maggy: "The Board has a responsibility to protect the architecture of the property. This is the responsibility of the Board. We cannot just say we don't like it, it's too expensive, we're going to take it off. I will give you another example. The roof. The tiles on our roof are just decorative, we don't need them because they are lying underneath those tiles (sic). So, some say well we don't need the tiles. Well what does this do to our _____ to our building? So, I think that when you

buy in this particular association, you better like the beams because . . .
(laughter, clapping) . . . that's a part of the architecture."

Bonnie: "Well, NO homeowners were asked . . ."

#379

Blankenship: "Maggy, I have to say this – that while I am in favor of retaining the trellises, it just seems that there should be something in the process that we have here that when we do have extensive overruns like appear to be the case with whether you agree with the roofs, whether it be with the future pool or whatever else, that we get something _____ so that people can, so that the homeowners can say well maybe this is something that we don't want to repair, so that there would then be a notification to the group, you know, that we're going to have to have a vote on this _____ the trellises. But I understand that there were people that didn't want to keep them _____. I think there's going to be an issue here with the pool _____ some people here who want to repair the pool, who use the pool and other people who don't think we should even _____ the pool. (unfinished).

11 February 2013

Mr. Paul Zink, Chair
And Members of the Architectural Board of Review
630 Garden St., Santa Barbara, CA 93102

Re: Villa Miradero North Homeowner Association, 2712 – 2836 Miradero Drive
Proposal for ABR Review 19 February 2013

Dear Mr. Zink;

For the 40 units in our complex the Villa Miradero North HOA proposes to remove their decorative chalet-type trellises, shorten the external support beams to 8 inches and cover each with a protective metal cap. This action will reduce maintenance costs and upgrade the appearance of our buildings to conform with those in the neighborhood.

By way of background, in 2006 the Association spent more than \$100,000 to replace these same trellises and repair the support beams which had suffered from dry rot and termite damage due to their design and exposure to the elements. In 2011 the Association's Building Maintenance Committee reported that the trellises and beams had again deteriorated significantly and recommended that the trellises be removed and the exposed beams be reduced in length. The Board appointed a second, independent, committee to investigate the problem and propose alternate solutions. In 2012 this committee reported that, if the trellises were to be retained, the only feasible solution would be another total trellis replacement and beam repair program estimated to cost in excess of \$90,000 plus a monthly dues increase to provide for future maintenance estimated at \$7,500 per year.

The Board of Governors then prepared a special assessment ballot for the homeowners to indicate their preference, approve the assessment and repair, or permanently remove the trellises. On 20 December 2012 the result of the voting by 43 homeowners was announced:

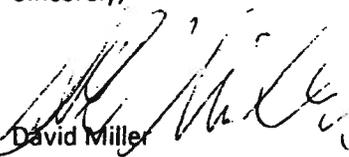
- 6 in favor of the assessment and retaining the trellises
- 22 in favor of permanently removing the trellises
- 1 in favor of retaining the trellises, but not in favor of the assessment
- 14 non-votes (in essence not in favor of the assessment and trellis retention)

On behalf of our homeowners the Board of Directors submits this proposal which we believe is consistent with the following ABR Goals:

- To promote aesthetically pleasing structures
- To promote conservation of natural and manmade resources
- To promote neighborhood compatibility
- To encourage the preservation of pre-1925 Hispanic styles of architecture

As a model for this proposal we invite the Board's attention to the Units at the El Paraiso Homeowners Association, 535 N. La Cumbre Rd. Their building orientations, architecture, design and building materials, are virtually the same as ours at Villa Miradero North with two notable exceptions – 1) they do not have exposed trellises and beams, but 2) they do not have the attractive roof tile finish at the rake which would be revealed at Villa Miradero North with this proposal. Thank you.

Sincerely,


David Miller

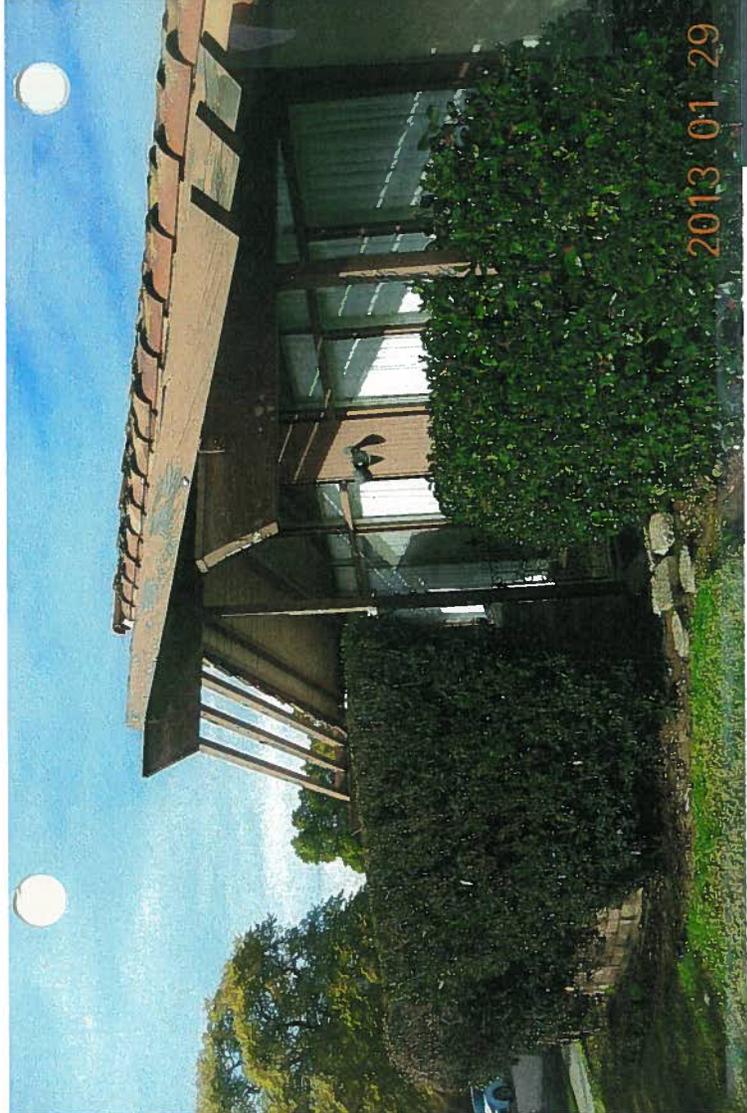
President, Board of Directors
Villa Miradero North Homeowners Association

Cc: Mr. Tony Boughman

On the assumption that if some trellises are good for shade then more would be better, one would expect that assumption to be reflected as a part of their overall design and location. Yet of the 20 units facing south or west just 6 of them have a three, rather than the basic two-trellis configuration. In fact, more Units facing south and west have extended eaves than have three trellises. And inexplicably, of the remaining 20 units facing north and east, 3 of them also have the three-trellis configuration. Shade is, in fact, provided by the extended eaves on these south and west facing units, not the trellises, an issue noted by the ABR during their discussion regarding the existence of additional vertical posts on selected units to support these extended eaves. Included here are three photos of the El Paraiso Units and one of Villa Miradero North for comparison. The VMN photo was taken at a time that illustrates the maximum shade impact of the trellises. Even under these optimum shade conditions it is the post-supported eaves on the VMN Units (without the trellises) that provide shade, because they are so wide. Because of this design, our eaves are more effective than those on the El Paraiso Units with similar glass exposure. The lower tier of glass on the VMN Units is typically covered by blinds or draperies as in the photo. For all practical purposes, the trellises' shade contribution is negligible.



2012 12 26



2013 01 29

VMN →

↙ EL Paraíso ↘



2013 01 29



2013 01 29

RECEIVED

Apr. 4, '13

2013 APR -9 AM 10:40

Dear Mayor and council members,

I am writing this letter to express my disappointment over ARB's decision to approve structural changes to our homes at Miradero North.

I am a resident and homeowner, having lived at this location for the past 13 years. I also grew up in Santa Barbara since I was 4 years old. Therefore, I appreciate the fact that the city's governing bodies have always worked to maintain its historical and cultural background, not only in its public facilities but also in its neighborhood environment.

Given Santa Barbara's historical background, why ARB approved changes in the structural appearance of our neighborhood homes is puzzling. Perhaps it is because the neighborhood area of Miradero North is not a large major development.

We are a relatively small neighborhood. However, it is an integral part of the larger community. The structural design of our homes, together with its natural environment, provide an overall sense of harmony that reflects Santa Barbara's desire to maintain a historical environment in its neighborhoods as well as in its public facilities.

The changes requested by the board of directors and approved by ARB may seem small. However, the physical impact on our neighborhood's harmonious appearance is devastating. If changes are allowed to move forward these changes would cause a loss not only for us at Miradero but also to Santa Barbara as a whole.

I am requesting a reconsideration of ARB's decision.

Sincerely,

Hermana Fogata