



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549-7010

Mail Stop 7010

January 4, 2008

By U.S. Mail and Facsimile

Ms. Sandra G. Sciutto  
Chief Financial Officer  
California Coastal Communities, Inc.  
6 Executive Circle  
Suite 250  
Irvine, CA 92614

**Re: Form 10-K for the Fiscal Year Ended December 31, 2006  
Form 10-Q for the Fiscal Quarter Ended March 31, 2007  
Form 10-Q for the Fiscal Quarter Ended June 30, 2007  
Form 10-Q for the Fiscal Quarter Ended September 30, 2007  
File No. 000-17189**

Dear Ms. Sciutto:

We have reviewed your response letter dated December 14, 2007 and have the following additional comment. If you disagree, we will consider your explanation as to why our comment is inapplicable or a revision is unnecessary. After reviewing this information, we may or may not raise additional comments.

General

We note that your response letter dated December 14, 2007 did not address the required Tandy language that we requested in our letter dated November 30, 2007. In connection with responding to our comments, please provide, in writing, a statement from the company acknowledging that:

- the company is responsible for the adequacy and accuracy of the disclosure in their filings;
- staff comments or changes to disclosure in response to staff comments do not foreclose the Commission from taking any action with respect to the filing; and
- the company may not assert staff comments as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

\* \* \*

Ms. Sandra G. Sciutto  
California Coastal Communities, Inc.  
January 4, 2008  
Page 2

Please respond to this comment within 10 business days, or tell us when you will provide us with a response. Please provide us with a response letter that keys your response to our comment and provides any requested information. Detailed letters greatly facilitate our review. Please furnish your response on EDGAR as a correspondence file. Please understand that we may have additional comments after reviewing your response to our comments.

If you have any questions regarding these comments, you may contact Dale Welcome, Staff Accountant, at (202) 551-3865 or, in his absence, to the undersigned at (202) 551-3768.

Sincerely,

John Cash  
Accounting Branch Chief