

Speaker Registration/Testimony

Name lynne matusow
 Phone 808-531-4260
 Email lynnehi@aol.com
 Meeting Date 03-22-2010
 Council/PH Committee PublicHearing
 Agenda Item council bill 17
 Your position on the matter Oppose
 Representing Self
 Organization
 Do you wish to speak at the hearing? No

RECEIVED
 CITY CLERK
 C & C OF HONOLULU
 2011 MAR 21 AM 10:29

Please accept this as testimony in strong opposition to Council Bills 16 and 17 which would require residential condos to hire a professional engineer to prepare a report and submit it to the city. It appears that the main difference is that Bill 16 would apply to all buildings and Bill 17 to those three stories or more in height.

Residential condos maintain and repair their buildings on a day to day basis. My 40-story condo is in the middle of a multi year building envelope project, supervised by a professional engineering firm, which is handling building wide spalling, waterproofing lanais, retiling lanais, checking railings, window glazing, caulking metal to window frames, and painting of the building. For most of the last five years there have been scaffolds on the building. By the time this project is complete, maybe two years hence, we will have spent more than \$6 million dollars.

State law (the state budget and reserve statute) requires condos to have a reserve study that goes out more than 20 years which lists when major capital improvement projects are to be done and to set aside money for deferred maintenance. It has to be updated annually. In recent years we spent more than \$1 million to modernize the elevators, fixed the roof of the residential and parking garage towers, cleaned out the wastewater lines and put in new pipes, replaced the compactor, and the list goes on and on and on. I am not sure the authors of these bills were aware of the state statutes when they wrote the bills. Do we even know if Ala Moana and other commercial properties are required to do reserve studies and fix areas as the condos are? Is this a level playing field?

I watched the committee hearing on Olelo. The two authors were not present. They did not hear the testimony from the Planning and Permitting Department on how hard it would be to enforce. They did not hear that the inspection at Ala Moana Center (which is the impetus for this bill) took 24 man hours. They did not hear Jane Sugimura, president of the Hawaii Council of Associations of Apartment Owners, ask committee members to put off a decision on Bill 17 because her group's members were just

MISC. COM. 1239

PH

learning of something that would affect them significantly. Nor did they hear her say that Sue Savio, whose firm is the insurance advisor for most condos, and others would be happy to help the council craft a bill that addresses the issues which would not be onerous. Insurance companies can play a major role. They can tell properties what inspections to do, what to fix, etc. or refuse to renew insurance or greatly increase the premiums.

Committee Chair Pyne wanted to move the bills forward, in my mind too expeditiously, instead of convening a group who could help first. And, so here we are today, at public hearing and second reading, without this important work being done.

Residential condos should not have expensive reports forced on us, especially when we do the work anyway. For each of these we will have to cut expenses elsewhere, as many of our owners are on fixed income and cannot be bled dry for money. At a homeowners meeting last month we were told that a scaffold drop (which the engineer would have to use) would cost \$10,000 per stack. Adding in the fees, etc. to the drop that could well cost us \$200,000, roughly \$500 per unit.

Instead of picking on condos, you should consider that the most run down properties in the state belong to small business owners and homeowners. A walk through almost any neighborhood will reveal hazardous conditions on the exteriors of these buildings that have been exempted from this bill. If the intent is to protect the public from hazardous public places, then all residences should be exempt, including condos. If the intent is to correct the most hazards, then smaller buildings, including individual homes and townhouses should be included.

Written
Testimony

You should also know that the declarations and bylaws of condos delineate who is responsible for what. It varies, property by property. The lanais may belong to the unit owner, or to the association. The same holds for railings, air conditioners, etc. One size does not fit all. If the Association of Apartment owners (AOAO) is not the owner, then its management should not be assigned responsibility for something outside its control. It is inappropriate and irresponsible for the city council to make AOAOs responsible for the private property of the individual residents in a building. Is the city going to contact each owner in the building and track the inspections and repairs?

The building owners are responsible for making repairs quite quickly, under the enforcement provisions of the bill. In a building like mine, and probably all other residential condominiums, there isn't a building owner who has the authority to make the repairs to the lanai railings within the specified enforcement provisions. These bills are flawed. They need major work. These bills should be deferred.

Lynne Matusow
60 N. Beretania, #1804
Honolulu, HI 96817
531-4260

Testimony
Attachment
Accept Terms
and 1
Agreement