

**TESTIMONY BEFORE THE TRANSPORTATION AND PUBLIC WORKS
COMMITTEE, FEBRUARY 7, 2008, ON BILL 2 RELATING TO WATER
CONSERVATION**

RECEIVED

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CITY CLERK
HONOLULU, HAWAII

Dear Councilmembers:

Honolulu Tower is a 396 unit residential condominium located at 60 North Beretania Street. At the Feb. 4 meeting of the Association of Apartment Owners Board of Directors the Board voted unanimously to voice its opposition to this bill. It is our hope that you will file the proposal today.

Although it has a lofty goal, this will cost properties throughout the island huge amounts of funds many do not have. It will force properties to pass the cost on to owners, many of whom are on a fixed income and struggling to keep afloat.

Honolulu Tower, built in the early 1980s, is poised to begin an elevator modernization project. Our elevators are old, break down often, get stuck, and last year all three were out of service keeping residents from reaching their abodes unless they were willing and physically able to climb many flights of stairs. They need to be upgraded now. This is a health and safety issue. The elevator modernization will cost us more than \$1.1 million. To pay for it we had to substantially raise maintenance fees for 2008 and to defer other needed projects. We recently completed a new heat pump installation at a cost of more than \$425,000. That too was a health and safety issue. This proposal, which has nothing to do with health and safety, could well force us re-plumb the building.

We were alerted to this ill advised piece of legislation by a KHON Channel 2 news report on January 23. In that report the Institute for Real Estate Management estimated that it would cost \$1,800 per unit per individual and that only covers the installation of the submeters in each unit. If their numbers are correct, the cost would be \$720,000 for our building. That is a lot of money to ask condo owners to pay, money we don't have.

Needed upgrades to our infrastructure have substantially reduced our reserves. We don't have three quarters of a million for this folly. Just because you can pass costs on to the taxpayer, does not mean that private entities have that luxury.

Please kill this proposal today.

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