

SPEAK TO CITY COUNCIL 4/4/2016

My name is Leroy Cockrell; I live in Englewood at 3675 S. Cherokee St. Unit 106 at Cherokee Kivas Condominiums with 40 units known as Cherokee Kivas that was organized as a Nonprofit Corporation under Colorado Revised Statutes, 1973, and amended. The building was built in 1979, and it has a self-managed HOA with a board of directors elected by the owners.

For years, the HOA did a poor job of managing the units striving to keep the fees as low as possible without proper care to maintenance and keeping adequate cash reserves to be able to handle larger capital projects they knew were surely to occur in the future such as replacing the single elevator in the 9 story building. Things began to change in 2013 when a new board took over the HOA and began to work on the deficiencies. The current board has been working hard trying to build a reserve of cash to be able to properly maintain the building and accumulate a reserve fund to be able to manage unforeseen problems as well as the problem of upgrading our single elevator and our swimming pool that is part of our planned community that also needs major upgrades.

One of the strategies to achieve a goal of building a cash reserve to handle these larger unexpected as well as expected items like the upgrade of our elevator and pool was to eliminate the office and quarters originally used for a paid manager, reclaim a unit that was originally a small apartment that could be rented by residents for guests. The idea is to upgrade and plat the new revised unit and #104 so they can be sold to help raise enough capital to overcome the deficits and keep the monthly HOA fees reasonable for our retired seniors living on social security and other small incomes.

Our problem is that we are a 55+ community of seniors and the city has forced the use of a general contractor to oversee the project. My fellow resident Bill DuChane and I met with the building department's Lance Smith in an effort to determine why progress has been so slow and why we have had to hire a general contractor. Mr. Smith told us that we are rated as R2 commercial as of 2001 and that our permits were issued the same day the applications were submitted. He also said that all should be good to go except for a problem with a firewall where a hole was broken through a pre-stressed concrete floor member that was significantly larger than what was required for the pipe. Bill and I have seen this problem and agree it needs to be properly fixed. Mr. Smith told us that we had to have a licensed architect give us a drawing and specify the materials with a drawing and a specification complete with his stamp for them to sign off on a fix with the proper material to correct the firewall problem. This seemingly simple thing had added a significant delay and about \$5,000 to the cost of the project, and the hole is not

fresh and has probably been there since 1979 but was uncovered during the construction project. Mr. Smith also told us that we had not had any inspections and the general contractor said he had no contract. We need to define the scope of work to meet inspections and get a bid for the work to do a contract.

When we reported this conversation to the HOA board, we were told that it had not been that simple in that each of the inspectors had hit us with multiple things to be fixed with a problem of creeping scope of the project. We are asking the city to be sensitive to the idea that we are not a community with wealthy residents capable of throwing money in unlimited amounts at the problem. We want to be responsible to meet all codes for safety, but we do not need a Lamborghini as we only have a budget for a Honda, which can be a reliable safe and responsible solution if we do not have unreasonable scope creep with multiple inspectors changing the scope with each visit to the site. At this point I am not sure what inspectors have visited the site as Lance has told us no city inspectors have visited the site since the permits were issued, and the general contractor will not return our calls even though the HOA president has approved the involvement of Mr. Duchane and I in the project to help move it forward.

We sold an easement to our roof to a company that could use it for antennas in an attempt to raise money to help upgrade our elevator to modern codes and the tax man took about 35% of the proceeds even though we are a nonprofit senior community. The proceeds were intended to keep 40 families off the streets. We have used some of these funds to refurbish a unit in the building owned by the owners of the building to sell and raise money to help ourselves out of our maintenance dilemmas. What we get are roadblocks with expensive requirements we must meet effectively taking a large portion of the possible proceeds. Then the taxman takes his cut after the sale and we are still short of funds to do the maintenance and upgrades we need to do to remain viable and a healthy senior community. What we need is help to keep 40 families off the streets by helping to find safe but not outrageously expensive solutions. I am reminded of times in my career as a manager dealing with 11 labor unions in one plant each concerned with only their part of the overall problem.

Thank you for listening and we want you to know that we want to work together to solve our problems to achieve a safe place for our owners to live in a responsible way in this community, but we need your help to remove unnecessary extra costs wherever possible.