VOTE NO on all 3 choices...

Until everyone understands this Special Assessment Election's high cost to us and learns what our well-meaning DHVA Directors are *not* telling us, please consider voting NO on all 3 ballot measures...

Though good people all, here's what the well-intentioned DHVA Board's proposal is not making clear:

- Hardly a "new" fire ordinance, the SF Board of Supervisor's ill-considered change to the City's Fire Code dates back to 2016. <u>See: https://sf-fire.org/fire-safety-requirements-building-owners.</u>
- That universally unpopular and very expensive change mandates that 75db alarm "sounders" be installed in *every* bedroom and living room by 7/1/2021. Alarm is to be "measured at the pillow."
- These ear-splitting wireless "sounders" are designed to wake the deaf. Residents cannot move, remove or silence them. They require costly annual professional inspections and costly batteries.
- Instead of saving the elderly from fire, the unintended consequences will be more heart attacks and Covid-19 deaths spread by unwelcome workers invading our bedrooms to install and test.
- The vendor, PyroCom, originally quoted a price of "about \$1,000 per BR and per LR." In 2019, our Board prematurely approved their contract for \$829,362. Of that, you will be forced to pay...

Tier	Type	More than 1	Exact \$/Unit	~\$Per Unit	\$/Sounder
1	Studio	0%	1,810.46	1,811	1,810.46
2	1 Bedroom	16%	2,096.72	2,097	1,048.36
3	2 Bedroom	35%	2,445,85	2,446	815.28

The inequity of these numbers is baked into the radical 2010 CC&R Revision. Before that they were optional.

- Despite urgent pleas by a few to the SF Supervisors and Mayor to revisit, postpone or undo this boondoggle make-work giveaway to the alarm industry...so far, no response. So express yourself!
- Unlike the rest of the City, our own Board is not waiting for the Supervisors to act, but racing ahead to meet the July 1st deadline, despite DHVA being near broke and getting more so everyday. Why should DHVA be first among fools? Others are waiting; so should we.
- If asked, our Board will say that any apartment or condo complex not in compliance by July 1st will be unable to get <u>building permits</u> (even for emergency repairs?), that our property values will decline, and that we must beat the last minute rush. Do they really believe that the Supes will allow all other repairs and remodels in the City to halt? Will allow all other contractors to sit idle?
- Won't our property values more likely collapse as fixed-income seniors, the unemployed and the ill become unable to pay these multiple huge special assessments and be forced to sell en masse?
- If some or many owners can't or won't pay these huge new assessments, the rest of us must make up the difference to keep the Association itself from bankruptcy! That's just the way it is.
- Yes, our DHVA financials are in extremely dire straights, but this is largely due to recent Boards' profligate, extravagant, lavish and optional \$1M+ projects, always way underestimated and way over budget, often by 2x to 3x. This seems intentional, as estimates are always an afterthought:
- Clubhouse Remodel: Awarded to a high-end decorator with no cost-cap, furnished from the SF Design Center to-the-trade-only showrooms; gym size and costs tripled with little benefit. Etc. →

- New Landscaping and Irrigation (LSIR): Guesstimated at \$1M, with the Reserve Budget (and your dues) upped for years to fund it. Still went \$200k over and is dying. Look like \$1.2M to you?
- Catwalks: \$0.51M over! Blamed on our Reserve Study Analyst...same one doing the next one.
- With many easier ways to enter buildings without a key ("Amazon delivery, buzz me in") and one
 E/F entry by climbing the catwalks, the Board spent an additional \$34,768 to block off the rest of
 the first floor E/F catwalks. Now intruders and locked-out residents must climb to the second floor.
- Building Key & Lock Replacement, 2021: After the keysafe/lockbox rails were relocated from the well-lit and camera monitored Clubhouse porch to dark hidden shrubbery and fastened there with only common slotted screws, one row was recently stolen. The Board instantly assumed that building keys were stolen and that all locks must now be replaced. In the history of the complex, there has never been a known crime committed with the aid of a lost, stolen or duplicated building key. Yet the Board chose Medeco locks for ~\$30k, many times the cost of just re-keying what we have, contrary to the advice by two past presidents and our sad costly history with Medeco locks.
- The Board, aware of how broke we are, still wanted to expand the key fob system to some 96 entrances, 14 buildings and miles of (hackable) conduit, cost of \$179k(?), until reason prevailed.
- So the spendthrift Board learns nothing from their mistakes and continues to choose the most expensive option every time, always confident that they can pass Special Assessments to cover.
- Yes, more are coming: Last August, the Board authorized a special assessment election for a new "Installation of Monitored Garage Cameras...\$177,849." Plus up to \$12k per year for monitoring.
- As <u>Measure 2</u> on this Ballot states, they now want to special assess us \$1,584,000 over the next four years for Reserves. If passed, that's \$3,458 per Studio, \$4,005 per 1BR, and \$4,671 per 2BR.
- What that omits is, to get our Reserves up to a healthy 30%, would take ~\$7,920,000! When or if that's assessed, it's \$17,290 per Studio, \$20,025 per 1BR, and \$23,360 per 2BR, plus inflation!
- What they need to understand is that Reserve Funds are meant only as a guide to how well the
 Association is prepared for maintenance and replacement of existing components. It is not, by law,
 to fund the expensive and optional capital improvement projects, as is done here.
- Nor must components listed in the Reserve Study always be immediately replaced just because their estimated life span is up. If cost-effectively fixable, fix; don't replace them all. E.g. roofs soon.
- Capital improvement projects, like clubhouse redesigns, irrigation systems, new lighting or better locks, by law, but widely ignored here, need to tap Operating Funds and/or a Special Assessment.
- Our <u>Reserve Fund</u>, once an acceptable ~25.0%, through such profligate and imprudent spending, is now at 8.7%, with a dangerous 5.5% expected by year's end. That's one emergency away from bankruptcy! Even passing <u>Measure 2</u>, \$1.6M, will only raise that to 10%...by 2024.
- Measure 3, a Bank Loan for \$1M, while legal if it passes, will waste up to \$156,033 in interest and take the pressure off the Board to be frugal with our money. At this time, just vote "NO." It can wait.

CONCLUSION: Better to postpone all big projects, at least until the SF Supervisors delay or kill their Sounder mandate, until COVID-19 and the recession are over, until our finances are recovered, and until a new frugal majority is elected to our DHVA Board this summer. **For now, please consider and VOTE NO on ALL 3 of these costly ballot measures.** Thank you and be well.

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The clear choice for honesty, openness, good governance and fiscal responsibility.