Moving Forward after...

Pandemic
Protests
Surfside

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NAHC 2021
Condominium & Homeowners Association Growth in the U.S.
25–27 percent of U.S. population in community associations.

$9.2 trillion value of homes in community associations.

$103.2 billion assessments collected from homeowners.

$25.8 billion assessment dollars contributed to association reserve funds for the repair, replacement, and enhancement of common property.
Economic & Employment Data, U.S.

Employment
55,000–60,000 Community association managers
100,000–105,000 Individuals employed by management companies and onsite for associations with staff.
8,000–9,000 Community association management companies.

Volunteer Statistics
2,400,000 Community association elected members of boards of directors and appointed committee members.
97,600,000 Volunteer hours of service performed annually by association board and committee members to provide governance, community, and related services.
Pandemic

Diverse Inclusive Communities

Champlain Towers South Condo Collapse
Liability Protections for Community Associations from Covid-Related Lawsuits
**Preferred meeting:**

Which of the following has your community experienced with virtual meetings?

- Increased efficiency for association operations: 49%
- Increased resident participation/engagement: 51%
- Decreased resident engagement: 17%
- No impact of resident engagement: 22%
- Increased board member participation: 29%
- Decreased board member participation: 3%
- No impact on board member participation: 46%
- Shorter board meetings: 54%
- Longer board meetings: 15%

**Preferred meeting time:**

What is the ideal time for your board meetings to be held?

Virtual meetings provide the community with an opportunity to hold board meetings during ideal times?
Diverse and Inclusive Communities

www.caionline.org/diversecommunities

- Community Association Equality Pledge
- Nondiscrimination Policy
- Responsibility for Neighbor-to-Neighbor Harassment
- Steps to Handle Harassment Complaints
- Handling Resident Harassment or Discrimination Claims
Champlain Tower South
June 24, 2021
We mourn. We pray. We vow to help.
Champlain Towers South Condo Collapse Policy Conversations

**CAI Process**

- CAI’s Government & Public Affairs Committee held its first discussion at the end of June.
- Three Task Forces with hundreds of people from throughout the U.S. and Canada serving on the task forces.
- Research of laws and ordinances in the U.S. and internationally (Australia, Ontario, Singapore, and Spain).
- Conversations with Condo Safety Coalition; including NIST, NLC, NSPE, NACO, Building Inspectors, ICC, NAHC, etc.
- Vetting through 43,000 member; including six hundred legislative committee members.
- Next Step: Final approval by CAI’s Board of Trustees.
Champlain Towers South Condo Collapse Policy Conversations

**Federal Initiatives**
- NIST Funding
- Funding/Financing Issues
- Mortgage Underwriting

**State Initiatives**
- Building Inspections
- Reserve Studies and Funding Plans
- Funding/Financing Issues

1. Public Policy
2. Best Practices
3. Education Initiatives

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Champlain Towers South Condo Collapse
Policy Conversations

Building Inspections

Developer Responsibilities

- Inspection
- Maintenance manual
- Disclosure to purchasers
- Periodic inspections by structural engineer or architect based on ASCE Standard SEI/ASCE 11-99 industry standards (timing TBD)
  Inspections based on building type (multifamily residential buildings of concrete, load bearing, masonry, steel, or hybrid structural systems such as heavy timber including podium decks)
- Communication and disclosure to the owners
- Board authority to special assess without owners vote for life safety maintenance, repairs, and/or replacement
Reserve Studies and Funding Plans

- National Reserve Study Standards adoption
- Developer reserve plan and funding requirements
- Reserve studies for condominiums, housing coops, and homeowners associations with shared components (cumulative replacement costs exceed $10,000)
- Funding of reserves based on reserve plan
- Disclosure during resale with certification by those involved in the sale
- Disclosure to owners during budget process
- Disclosure to owners of life safety circumstances
- Authority of board to special assess for life safety required maintenance, repair, and or replacement
Best Practices for Reserve Studies and Funding Plans

www.foundation.caionline.org

- National Reserve Study Standards
- Reserve Study Basics
- Funding Options
- Fiduciary Duty
Reserve Study & Funding Laws in the U.S.

- **Reserve studies** or a reserve schedule for condominium associations are required in the following 9 states: California, Colorado, Delaware, Hawaii, Nevada, Oregon, Utah, Virginia, and Washington State.

- **Reserve funding** for condominium associations is required in the following 11 states: Connecticut, Delaware, Florida, Hawaii, Illinois, Massachusetts, Michigan, Minnesota, Nevada, Ohio, and Oregon.
STEPS BOARD OF DIRECTORS SHOULD TAKE

• Seek advice from professionals regarding building maintenance and inspections.
• Determine if there are any signs of structural concerns that may need to be inspected by a professional engineer.
• Conduct and review your reserve plan using best practices.
• Review your reserve funding plan and fund accordingly.
• Have a conversation with your community homeowners about reserve study/maintenance plans and funding.
• Take actions required in the maintenance and reserve plan. Maintain frequent communication with residents/homeowners about these important issues.
• Be transparent with homeowners about how much repairs might cost and whether a special assessment may be necessary.

www.caionline.org/CondoSafety
A commitment to fostering a climate of open discussion and debate, mutual respect, and tolerance between all who live in, work in, and visit our community.

www.caionline.org/civilitypledge
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