

Taking Care of Your Maintenance Costs by Giving Your Roads Away!?

“Maintenance and reconstruction costs associated with the ownership, use and operation of private streets, storm water collection facilities, sanitary sewer and water well and delivery systems serving our communities are big ticket items” began Attorney John Maier, in his July 19, 2010 address to the Wisconsin Condominium Association, meeting in Milwaukee. “So big, in fact, that these costs can grow beyond the capability of the community to financially support,” he continued.

In response to the collective question what to do about it, Attorney Maier suggested that some homeowner associations are considering asking the local government to “take it over”. He then went on to conduct a “workshop” with those in attendance, designed to review the “pros and cons” of public vs. private ownership of streets and other infrastructure, how to present a proposal for public dedication to give it the best chance of approval (both at the association and the municipal levels), and what financial and operational “fallout” associations can expect following a turnover of authority.

“While private roads and parks may have seemed to be a good idea at one time,” Maier reflected, “the responsibility for ongoing maintenance has now turned the dream into a nightmare for some Associations, who just can not continue to maintain these amenities in a cost-effective manner.”

Community Associations with private roads may have security guards and gates to keep nonresidents out, abundant parking, and traffic features designed to protect the safety and harmony of the neighborhood, such as speed bumps. But such benefits carry hefty price tags for annual maintenance and snow removal, and the periodic contracts for repaving are often found to cost an amount of money many classify as prohibitive.

Attorney Maier’s presentation included a checklist of “things to consider” when pondering the question of a turnover to municipal ownership, as well as a list of procedural steps

that have to be undertaken before the question can even be put to a vote by either the Association or the municipal board or council.

Maier concluded his remarks by cautioning those in the audience to: “Do your homework, and make your own checklist. Community Associations need to size up the obstacles before spending too much money, time and effort. You need to identify the problems and potential problems ‘up front’ so that these can be presented to your homeowners.”

A copy of Attorney Maier’s presentation outline is free for the asking – just e-mail, call or write to ask for a copy and we will gladly send it out free of charge.