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TO: Senate Committee on Housing and Development
Senator Khanh Pham
Senator Dick Anderson
Senator James Manning Jr.

FROM: Gene Bicksler
Bicksler and Associates, LLC

RE: House Bill 3746

My name is Gene Bicksler. I live in Eugene, Senate District 7. I have been active in the Community Association industry since 1978 (47 years). A Community Association is a general term for multi-family homeownership, typically in the form of a condominium, PUD, co-op, or other similar types of real estate ownership. My work has been in setting up and managing them. In 1981 and 1983, a small group of others and I lobbied to pass the Planned Community Act in the Oregon legislature. 1984 I moved to California (returning to Eugene in 2018 to semi-retire). There, in 1985, I participated in a committee that lobbied for the passage of the Davis-Sterling Act, which codified California Community Association law. I have served as an expert in over 90 lawsuits in Oregon, Arizona, California, and Washington, many of which involved the consequences of construction defects.

I AM WRITING IN OPPOSITION TO HB 3746 AS WRITTEN.

What is a construction defect? It is legally defined as a flaw or deficiency in a building or structure's design, materials, or workmanship resulting from a failure to meet industry standards or the buyer's reasonable expectations. A construction defect can manifest in various forms, such as foundation issues, water intrusion, faulty electrical or plumbing systems, or structural failures.

If a construction defect truly exists, who should be responsible for correcting it? The entity who built it or the unsuspecting person who purchased it? Within reason, most people would say the entity that built it.

But first, I would like to address the issue of affordable housing. As of February 2025, the median price of a single-family home in Eugene was \$515,000.00. The median condominium price was \$265,00.00. The numbers speak for themselves. This type of housing is more affordable than a single-family home, is often located in a higher-density area, and is frequently the first step into home ownership. Anecdotally, over the past few years, I have prepared the initial operating budgets and reserve studies for three new condominium projects in Portland. All were in-fill properties ranging from 4 units to 29 units. Most units ranged in size from 384 square feet to 800 square feet. Be cautious of stereotypes; not all condominiums are expensive high rises in downtown Portland.

- ***The current statute of repose (limitations) should not be changed.***
Reducing the years shifts the repair expense from those responsible to the unknowing buyer in this affordable housing type.
- ***The requirement of the board of directors to mail the second notice to the membership with a certificate of mailing is unnecessary and burdensome.***
It is the owner's duty to inform the Association of their mailing address. Standard US mail constantly conveys very important information.
- ***The requirement that notices to the membership include personal contact information of each board member is problematic.***
Would you want your personal contact information shared in this manner? Not likely. A change should include the names of all board members and a mailing address or email address that owners can use to send their comments. The board should decide the central response address.
- ***More detail is needed to describe the scope of work of the moisture intrusion inspection.*** In general, this is not a bad idea. If it stays in the bill, however, there needs to be more specificity. Should the inspector be licensed? What type of inspection should it be? What percent of the project should be inspected? Should there be destructive inspection?

I would be happy to offer my assistance to the Committee if needed.

