

# The Cost of Doing Nothing

To do nothing is always a choice whenever alternative actions are being considered. This is true in every aspect of life. It is also true in the current study regarding whether or not the Apache Wells community should invest in a new community building, restaurant, exercise facility, and pro shop. Many alternatives are being evaluated, and one alternative, of course, is to do nothing. If the community chooses to do nothing, what exactly does this mean, cost-wise?

The decision to build new facilities or not build new facilities comes down to money. It's as simple as that. If Apache Wells homeowners don't have to pay one cent for these facilities, there would likely be very little opposition to building them. So let's examine what the cost would be to complete the building project, and how would the community benefit. Likewise, let's examine what it

will cost the community if the buildings are not built.

First, what would it cost to build the new buildings? The new buildings are projected to cost essentially the same as the cost to renovate. Renovating, however, would leave the community with poorly arranged, inadequate-sized buildings. The cost-to-renovate figure is only for 20,000 square feet, while the new-construction plans involve approximately 25,400 square feet, including a new exercise facility. Spreading the construction expense over a 20-year period, the cost per household would be approximately \$5.65 per month per million dollars of construction. Many homeowners will choose to pay the total amount in one lump sum just as they have done with similar charges in the past, while others may elect to spread the debt over twenty years in monthly installments. If any homeowner cannot afford to make these payments, arrangements will be made to have the deferred amount paid when the property is transferred and not before. The new owner would then continue the payments from then on. No one, absolutely no one, needs to fear that they will be pressured to sell or leave the community if this building project becomes a reality.

Now, assume the Homeowners Association decides not to build new buildings. How would this impact the community as a whole? For starters, what would the Country Club do, since they currently own the hall, restaurant, and pro shop? Are the Country

Club members likely to renovate these buildings to the tune of \$5.5 million dollars, a cost estimate given by a professional inspector in May, 2006? And is it even fair to ask the Country Club members to continue furnishing a community center and restaurant for the entire Apache Wells community? No, it would be virtually impossible to get Country Club members to approve renovation of the buildings. The expense would be excessive for the 485 Country Club members, and would result in buildings, which are not properly sized to handle current needs, much less future needs.

If the buildings are not renovated, it will only be a matter of time before the City of Mesa and the Fire Department condemn them. In fact, the basement storage rooms have already been declared unfit for occupancy. When condemnation happens, both Country Club members and the Homeowner Association members will suffer. Neither party will have the facilities necessary to sustain a vibrant community. It is no accident that developers of all new housing developments include beautiful, functional communal facilities to attract new buyers. They have done the research and know what it takes to maintain home values in their developments. It is no different for homeowners in Apache Wells. Current residents, and certainly future residents, require quality facilities.

So what is the real cost of doing nothing? Although this cost is difficult to quantify, it will be huge for each homeowner, and devastating to our community, well beyond the cost to build the project. Without a good community center, Apache Wells will very quickly

become a second-rate community, and will lose out to other up-scale communities when potential owners purchase a home. In the same way, the golf course without a good pro shop will be second-rate, and this will also dissuade possible buyers from selecting Apache Wells as a place to live. **Loss of these potential buyers will cause home values in the Community to experience a sharp decline, well in excess of the projected cost per household to complete this project.**

It is wise and prudent for each homeowner to scrutinize the costs to build this project. The Committee welcomes your thoughts and suggestions which can help to make this the best building project possible at the very lowest cost. However, each homeowner should be aware that there is an extremely high cost if we do nothing. Five years ago the community did nothing when a new building was proposed. Today, new buildings will cost twice what they would have then, and costs are escalating approximately 10% per year.

Be proactive. Become informed about all aspects of this project, add your suggestions and ideas, and above all, make it happen. **Don't pay the high cost of doing nothing.**

Community Long Range Planning Committee  
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