

Mulcahy Memo – October, 2017

Published for clients and friends of the Mulcahy Law Firm, P.C. by Beth Mulcahy, Esq.



Dear Clients and Friends,

October is one of my favorite months because cooler temperatures finally arrive and I get to experience Halloween all over again with my children (ages 9 and 10). This year I cannot wait to chaperone a superhero and gumball machine around my neighborhood.

Did you know that by the year 2023 there will be millions of electric cars on the road in the Unites States? All these electric cars will need to be "charged" when not in use. In this month's memo, we discuss an emerging trend...electric cars in community associations. Many boards are now being asked if they are providing electric car charging stations to their residents or how residents can install their own. Pleas scroll to the bottom of this email to learn more about how community associations should handle requests by owners for electric car charging stations.

Our fall seminar series is off to a great start! We've had six classes and have provided free education to over 100 board members and owners since August, 2017. Our firm will be teaching 13 additional free community association law classes before the end of 2017. If your schedule permits, please join us for our classes! If you are unable to attend in person, we are happy to send you the written materials at no charge or give you a link to the class on YouTube (available only if that class has been taped).

Listed below are the classes that we are teaching in October, 2017:

Tempe HOA Academy:

• 10/4-1:00-2:30 p.m.- Technology and Community Associations

Phoenix Neighborhood College (Self-Managed Associations):

• **10/4- 5:00- 6:30 p.m.-** *9-1-1 Help for Self-Managed Condominium and HOA Boards*

Chandler HOA Academy:

• 10/10-1:00-2:30 p.m.- Everything About Pets! You have Questions... We have answers!

Glendale HOA Academy:

- 10/10-5:00-6:30 p.m.- HOA Case Studies, what went right, what went wrong...the good, bad and the ugly and How to Deal With the Media
- 10/24-1:00-2:30 p.m.- Best Practices (Eisenhower Method)

Scottsdale Neighborhood College:

- 10/12-1:00-2:30 p.m.- Legislative Update/ The Top 10 Things You Should Know About Community Association Law
- 10/19-1:00-2:30 p.m.- Amending your CCRs

Peoria HOA Academy:

• 10/17-1:00-2:30 p.m.- Community Association Dispute Resolution 101 and Q&A

Surprise HOA Academy:

• 10/30-6:00-8:30 p.m.- Community Association Dispute Resolution 101 & Tips Regarding Enforcement of Association Documents

For more information about these classes, please visit the home page of our <u>website</u>.

Are you looking for more education regarding community associations? Follow us on <u>Facebook</u>! Our law firm has a very active page with free topics and legislative updates for board members, managers and owners that is updated weekly. Please consider "liking" and following us on Facebook so you don't miss any of our important updates on Arizona community association law.

Happy Halloween!



Sincerely, Beth Mulcahy, Founder and Senior Partner Mulcahy Law Firm, P.C.

Electric Cars in Community Associations- An Emerging Trend

What is an "electric car"? "An electric car is an automobile with one or more electric motors that uses electrical energy stored in rechargeable batteries or another energy storage device. Electric cars are around three times as efficient as cars with a normal internal combustion engine." (Wikipedia) You've probably heard of the Tesla S or X or the Chevrolet Spark CV/Bolt EV electric cars. However, did you know that there are also 30 other highway capable electric cars commercially available today? By 2023, it is estimated that there will be millions of highway capable electric cars on our roadways!

Electric cars need charging stations. In response to the increase in demand, electric charging stations are starting to pop up everywhere - hotels, shopping malls, freeways, airports, and, yes, community associations! According to a White House Statement in July 2016, the number of electric vehicle charging stations was 500 in 2008 and was more than 16,000 in 2016-a 40 fold increase. States like California and Oregon have already enacted laws related to the installation and use of charging stations for electric cars. However, Arizona has not yet enacted a law pertaining to the installation of charging stations.

Due to the cost, I don't foresee planned community boards installing free electric car charging stations for its residents on common areas in the next five years. However, I do foresee condominium boards being approached by owners asking what the procedure is for an owner to install an electric car charging station where they park their electric vehicle in the condominium. Condominium boards should anticipate this question now and consult with our law firm to plan ahead so it isn't stressful for everyone when this question is raised. Failure to allow the installation of a charging station for a condominium owner could lead to bad publicity or a lawsuit against your Association.

Set forth below are some things for a board to consider regarding electric cars:

- There are different charging levels for electric cars. The various charging levels will require different equipment.
 - Level 1 charging allows the vehicle to be plugged into an ordinary electrical outlet. Therefore, a homeowner would likely be able to plug the vehicle into the outlet in his/her garage without a need for Association involvement.
 - Level 2 charging decreases the time it takes to charge a vehicle and increases the charge power. A level 2 charging station will require that a special circuit be installed. Homeowners can install the equipment in his/her garage, however, they will likely need to hire an electrician to ensure the Association's electrical system can handle the new circuit.
 - Level 3 charging is the fastest vehicle charging method. It can charge a vehicle is as little as 30 minutes. The Level 3 stations can cost approximately \$50,000. This type of station is usually found along interstate highways, in order to charge several cars. As such, this type of charging statement would likely have to be located on the Association's common areas. The Association would need to ensure the Association's electric system could handle this electric capacity.

- Where will the charging station will be installed? Does the charging station need to be installed on common area?
- If the charging station is installed on common areas, can all homeowners use it or just the owner requesting it?
- Can the association's current electric system handle the electric capacity of the charging station? The Association should ask an expert whether the current system can handle the installation of the charging station.
- Who will pay for the installation costs and the electricity for the charging station? Is there a way to split the meter or charge only the members who use the charging station?
- Who will be responsible for the maintenance of the charging station?
- Will the association be responsible for insurance on the charging station? The Association should approach its insurance agent regarding necessary insurance coverage.
- Is the charging station aesthetically pleasing within the community?

Many of the foregoing considerations will depend on which type of charging station is installed, where the device is installed and who is using the device. Because there are so many variables regarding electric charging stations, our firm recommends that a board speak with our firm prior to establishing rules and regulations or guidelines on charging electric cars within the association. Further, it may be necessary to hire an expert to evaluate the association's current electric capacity and to evaluate any proposed electric stations or technology in relation to the association's capacity.

Please feel free to contact Beth Mulcahy at 602.241.1093 or bmulcahy@mulcahylaw.net with any questions you may have on electric vehicle charging stations in your association or to have our firm create a board policy on electric vehicle charging stations in your association.

Sources:

- Wikipedia
- OFFICE OF THE PRESS SECRETARY, FACT SHEET: Obama Administration Announces Federal and Private Sector Actions to Accelerate Electric Vehicle Adoption in the United States, https://obamawhitehouse.archives.gov/the-press-office/2016/07/21/fact-sheet-obama-administration-announces-federal-and-private-sector (2016).
- Get your EV home charging station installed, SRP, http://www.srpnet.com/electric/home/cars/GetyourhomeEVready.aspx#types (last visited September 19, 2017).
- New to the Electric Vehicle Industry?, SEMA CONNECT, https://www.semaconnect.com/charging-station-basics/ (last visited September 19, 2017).