

COOPERATIVE HOUSING BULLETIN

PUBLISHER: National Association of Housing Cooperatives

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The Committee thanks Herbert H. Fisher for his role in gathering articles and information for this issue.

Letters to the Editor or the Committee are Welcome! Please send them to willcox@juno.com.

The **Cooperative Housing Bulletin** is devoted to matters of interest to a housing cooperative's member/shareholders. All NAHC Associations and Members should advise their memberships on how to get and download CHBs when published.

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THE NATIONAL ASSOCIATION OF HOUSING COOPERATIVES

About NAHC

The National Association of Housing Cooperatives is a nonprofit national federation of housing cooperatives, other resident-owned or -controlled housing, professionals, organizations, and individuals interested in promoting cooperative housing communities. Incorporated in 1960, NAHC supports the nation's more than a million families living in cooperative housing by representing co-ops in Washington, DC, and providing education, service, and information to co-ops.

Mission Statement

To represent, inform, perpetuate, serve, and inspire the nation's housing co-ops.

NAHC Board of Directors 2010-2011

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Charlotte Lann	Appointed by CSI	Ruthie Wilder Appointed by PAHC
Barbara Loatman	Elected 2012	Kimalee Williams Appointed by CHANE

Member Associations

CAHC	California Association of Housing Cooperatives
CHANE	Cooperative Housing Association of New England
CNYC	Council of New York Cooperatives & Condominiums
CSI	CSI Support and Development Services
DVAHC	Delaware Valley Association of Housing Cooperatives
FNYHC	Federation of New York Housing Cooperatives
MAHC	Midwest Association of Housing Cooperatives
NJFHC	New Jersey Federation of Housing Cooperatives
PAHC	Potomac Association of Housing Cooperatives
SEAHC	Southeast Association of Housing Cooperatives

NAHC Principal Committees and Chairs

- Executive Committee – Ralph Marcus
- Development & Preservation Committee – Vernon Oakes
- Finance Committee – Linda Brockway
- Governance and Strategic Planning Committee – Ralph Marcus and Mark Shernicoff, Co-Chairs
- Government Relations Committee – Mary Ann Rothman
- Member Services Committee – Linda Brockway
- Mutual Marketing and Advocacy Committee – Paul Solomon
- Publications Committee – Roger Willcox
- RCM Board of Governors – Gregory J. Carlson
- Website Committee – Gregory J. Carlson

See the NAHC website – www.NAHC.coop – for addresses of Associations and Committees.

About Bostrom

Bostrom Corp. is the professional services firm managing the National Association of Housing Cooperatives affairs.

Chicago Energy Savings Program – Example for Reducing Operating Costs

By Stephanie Folk, CNT Energy communications and marketing manager

Fortunately, owners of multifamily buildings in the Chicago metropolitan region have a resource to help them navigate the world of energy efficiency and save big on natural gas and electricity bills.

Note: Because of his knowledge of the pioneering energy savings activities of the Center for Neighborhood Technology, Publications Committee member Herbert H. Fisher asked CNT to contribute an article concerning what housing cooperatives can achieve by undertaking such activities. A recent example of CNT's programs was assistance to the Tenants Association and Cooperative On Kimbark (TACK), a 12 unit cooperative, which recently acquired and installed a new boiler it could not otherwise afford producing substantial savings. The program described below should be the goal for every city. Cooperatives should be in the forefront of getting that done. For cooperatives not eligible for subsidized or low interest loans, there are commercial programs based on guarantees that the energy savings will be able to pay the loan repayment installments.

Residential and commercial buildings present a significant opportunity for improved energy efficiency. Studies have shown that carbon dioxide emissions from U.S. building stock are responsible for about 40% of our total global warming emissions. In Chicago, buildings represent 70% of the city's emissions. Making buildings more energy-efficient is considered critical in the battle against climate change. Most people understand the benefits of investing in energy efficiency. It saves money in the long run, it is good for the environment, and it is good for the local economy because it generates jobs. Despite understanding these benefits, building owners often take no steps to retrofit their buildings due to confusion over what work needs to be done, who

should do it, and how to pay for it.

Fortunately, owners of multifamily buildings in the Chicago metropolitan region have a resource to help them navigate the world of energy efficiency and save big on natural gas and electricity bills. The resource is the Energy Savers program, a one-stop

Infrared photography identifies areas of highest heat loss from the building envelope.

energy efficiency shop operated by two Chicago-based non-profit organizations: CNT Energy and Community Investment Corporation (CIC). Energy Savers makes it easy for building owners to invest in energy efficiency improvements that reduce operating costs and help maintain affordable housing. Energy Savers has helped local building owners make energy efficiency improvements in more than 4,000 housing units, cutting energy costs by 30 percent on average. This saves the average building owner \$10,000 per year. Collective savings from the program, launched in 2007, exceed \$3 million. Of the \$3 million in loans provided through the program, none have defaulted.

How does it work? After filling out an online application, building owners must submit a year's worth of the building's utility bills for CNT Energy to review. We analyze the utility bills to get a preliminary estimate of how efficient the building is, similar to understanding "miles per gallon" for a car. This information also establishes a baseline to compare future energy use against.

After analyzing utility bills, CNT Energy staff schedule an on-site analysis of the building, which lasts roughly two hours. Staff examines the building envelope, heating and hot water equipment, basement, the roof, and rooftop HVAC equipment. Staff looks at roughly 10 percent of the apartment units, located on different sides of the building and on various floors.

After the on-site review and analysis, CNT Energy staff members weigh the costs and benefits of potential energy-saving measures for the building. Final recommendations are put into a

written report. The recommendations are chosen strictly on the basis of cost-effectiveness. The report will indicate if the cooperative qualifies for a low-interest loan with the Community Investment Corporation to finance the recommended energy-efficiency work.

CNT Energy's work does not end with this report. Construction staff has extensive experience with licensed contractors in the Chicago area and help owners solicit competitive bids based on the scope of work; and also help owners during every step of the retrofitting process — site coordination, scheduling, and oversight — to ensure that the work is done properly and safely.

Following the completion of the project, CNT Energy monitors the retrofitted building's energy bills to verify that the observed energy savings are achieving the expected goals and provides annual up-to-date savings reports for the first two years after construction. If the building is not achieving the expected savings, CNT Energy provides a tune-up consultation.

Certainly not all energy efficiency programs are the same, but the level of service provided by the Energy Savers process is what other building owners

across the country should expect.

The basic concept for payment of energy savings device installation costs, if the property through its low income occupancy is not eligible for a grant program, is that the loan repayment can be handled by savings in energy costs over an estimated period of time.

The success of the Energy Savers program prompted the Chicago Metropolitan Agency for Planning to select CNT Energy to administer a \$25 million federal grant to ramp up energy efficiency retrofits for all of Chicago's buildings, not just apartment buildings. The three-year program will establish a network of local information about retrofitting, financing options and capable construction firms, all aimed at creating a retrofit system that will last for years to come.

CNT Energy is an affiliate of the Center for Neighborhood Technology (CNT), a 33-year old "think and do" tank dedicated to urban sustainability. CNT works nationally to advance its urban sustainability agenda by researching, inventing and testing strategies that use resources more efficiently and equitably. Its programs focus on climate, energy, natural resources, transportation and community development.^{CHB}

1. Establish an account.

If you don't already have a GE account number for the NAHC program, call Pam Sipes at 1-800-782-8031 Option 4 to establish one. If you have an account number but don't remember it, or if you're not sure whether you have one, call Pam Sipes. You will need to fill out a credit application form, available from Pam.

2. Select the products you wish to purchase.

Once your account number is established, GE will send discount price and availability material directly to the account number address. Note that volume discounts may be available. Even if you're not interested in ordering now, you can always request a catalog of GE products from NAHC at 202-737-0797.

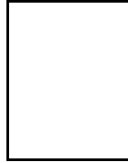
3. Place your order.

Call the regular GE customer service number, 1-800-654-4988, to place an order.

DEPARTMENT OF ENERGY WEATHERIZATION PROGRAM NOTICE 11-4 effective Dec. 22, 2010, provides to assisted multi family, public housing and LIHTC properties guidance in the use of Department of Energy Weatherization Assistance Program (WAP) regarding the weatherization of multi-family units. Reference is also made to the final rule amending Eligible Dwelling unit's regulations as published on Jan. 25, 2009 10 CFR 440.22. There are occupant income limits and unit sizes applying to 66% of a building's dwelling units.

COMING IN THE NEXT CHB

- What do we know and when did we know it: key research on housing co-ops, much of it hidden until now
- Balancing wealth creation and preserving affordability: how do limited equity co-ops stack up long term against land trusts, deed restricted ownership and other first time homebuyer programs
- If you don't feed it, it won't grow: words of wisdom from past president Micki Williams



President's Report

Presented by Vernon Oakes,
NAHC President

Your Board of Directors and staff are busy at work on many of the initiatives outlined in the Open Letter to membership in the Fall edition of this newsletter. My article to you today highlights our quarterly activity.

We continue to target building proactive relationships with allied groups in the growing cooperative arena and the low income housing world. Some of those current activities are outlined in this column.

I represented NAHC and attended the National Low Income Housing Coalition 2011 Annual Housing Policy Conference in late March. There I met and spoke with a number of colleagues in allied groups, including HUD employees on REAC topics and have had follow-up communications to keep the association at the forefront with appropriate HUD employees. I also attended educational sessions on future other joint initiatives at the conference.

With the guidance and input of our Government Relations Committee, we sent a letter to Department of Housing and Urban Development Secretary Shaun Donovan regarding Home Equity Conversion Mortgages (HECM) for Senior Citizens in Housing Cooperatives. We urged HUD to move forward in issuing these Guidelines that would allow senior members of housing cooperatives to access reverse mortgages, just like all other homeowners, and thus to access the equity in their homes.

I attended the Cooperative Development Foundation's First Annual Cooperative Issues Forum in May, which included a provocative discussion session that provided broader understanding of the role cooperatives play today and will play tomorrow, assessment of how core cooperative principles influence operations and decision-making, and a fresh perspective on the resiliency of cooperatives in tough economic times. The discussion was led by a Distinguished Panel of Cooperative Leaders from Credit Union National Association (CUNA), National Council of Farmer Cooperatives World Council of Credit Unions (WOCCU), National Rural Electric

Cooperative Association (NRECA) & Board Chair, National Cooperative Business Association (NCBA) National Consumer Cooperative Bank (NCB) and moderated by John R. Whitman, Ph.D., Lecturer in Entrepreneurship, The Arthur M. Blank Center for Entrepreneurship, Babson College

We are working on enhancing our Public Relations outreach efforts as NAHC prepares to celebrate the International Year of Cooperatives 2012 "IYC 2012," with the appropriately themed slogan: "Cooperative Enterprises Build a Better World." We have representation on NCBA's Steering Committee for IYC 2012, so we are involved in the planning and implementation as cooperatives hold a world stage in 2012. Mark your calendars for the IYC kickoff function on October 31, 2011, in New York City at the United Nations. We want housing cooperatives to be well represented!

We continue with our initiatives to have NAHC Board of Directors representation at Regional Member Meetings, which most recently included the Potomac Association of Housing Cooperatives and Midwest Association of Housing Cooperatives. Please let us know how NAHC can support you! You may reach me via email at vo@oakesmanagement.com. We look forward to seeing many of you at your (Regional) NAHC Association Member Meetings and at our 51st Annual Conference in Puerto Rico, November 9-12.

Your Member Services Committee has developed a comprehensive list of courses for the educational elements of the Puerto Rico conference. Visit the conference web page for the latest updates. We will also have opportunities to share in the Puerto Rican culture and lifestyle and a tour of area housing cooperatives as well. Come to learn and network with your fellow cooperators!

Lastly, NAHC is currently in the process of developing online courses that will be available for our members. The online courses will be available for our members early 2012.

Treasurers Report

Presented by Linda Brockway, NAHC Treasurer

- a. As of May 31, 2011, NAHC had \$64,342.12 in the bank.
- b. In June of 2010, NAHC executed a promissory note with Bostrom for \$90,000.00 to cover outstanding invoices. The current balance is \$46,321.09 and will be paid in full as of June 30, 2012.
- c. The early registrations for the Puerto Rico conference have netted approximately \$65,000.00 in registration fees as of May 31.
- d. NAHC has set up a savings account and is beginning a savings program in order to begin to provide additional programs.
- e. The June 30, 2010 financial report review and the December 30, 2010 financial report review has been completed by Givens and Barnes, CPA and will be discussed at the Board meeting on July 23, 2011 and July 24, 2011.

The NAHC Board is excited about the positive turns that we have taken over the last year. NAHC will be debt free by June 30, 2012 and will have an ongoing cash stream to remain viable. NAHC looks forward to sponsoring programs to support the International Year of Cooperatives 2012. If you have an idea about programs that can be sponsored by the NAHC, please let either the NAHC of ce (info@nahc.coop) or the Member Services Committee Chair, Linda Brockway (ljbecho@aol.com), know through the listed email.

POTOMAC ASSOCIATION OF HOUSING COOPERATIVES (PAHC) held its Spring Conference in Alexandria, Va, on April 28-30th.

COUNCIL OF NEW YORK COOPERATIVES AND CONDOMINIUMS (CNYCC) held its annual conference November 14 at Bernard Baruch College in Manhattan with over 600 people in attendance. The conference featured 75 education sessions and over 40 exhibitors offered information about products and services.

DELAWARE VALLEY ASSOCIATION OF HOUSING COOPERATIVES (DVACC) is NAHC's newest Associational Member, and members will be introduced in Puerto Rico in November.

FEDERATION OF NEW YORK HOUSING COOPERATIVES (FNHCC) together with the **COUNCIL OF NEW YORK COOPERATIVES (CNYCC)** hold a seminar August 16 on options when changing from #6 heating oil.

MIDWEST ASSOCIATION OF HOUSING COOPERATIVES (MAHC) held its annual conference and meeting in Jacksonville, Florida, on May 15 to 18, 2011.

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Governance Committee

The Board is currently in the process of approving the revised Board policies. The policies will clearly state the procedures by which the board and its committees will make future decisions.

Member Service Committee

The Member Service Committee (MSC) has been actively planning the 51st Annual Conference to be held in Old San Juan, Puerto Rico November 9, 2011 through November 12, 2011. The MSC is finalizing plans for the 52nd annual conference that will be held in Reno, Nevada. Information regarding this conference will be made available shortly. A survey was distributed to ask each member their input on the 2013 conference and the distribution of the CHB. If you did not receive a survey and are interested in responding to the survey, please contact the NAHC of ce at info@nahc.coop and a survey will be forwarded to you. The Committee is chaired by Linda Brockway.

Publications Committee

Under the chairmanship of Roger Willcox, the committee has been regularly producing the quarterly Cooperative Housing Bulletin, which is now opening its pages to ads. Contact the NAHC of ce, see masthead, for contact information. One of the questions that the survey discussed above asks is how each member would like this CHB delivered. Currently, the CHB is distributed through email. The current CHB and CHBs for several past years are also posted on the NAHC Website. Members who would like the CHB delivered to them through a different method can contact the NAHC of ce at info@nahc.coop to arrange delivery through their method of choice. **Please do respond.**

3R Committee

The 3R course was taught twice in the Washington, D.C. area. The current cost of this on site program is now \$1,200 for up to 10 attendees. See masthead for contact information for further information for this unique and beneficial program. The link is <http://www.coophousing.org/DisplayPage.aspx?id=144&bMenu=88&bltem=144>

RCM Board of Governors

The program was offered in Washington, D.C., and will be available again at the annual conference in Puerto Rico. A site manager adding the RCM designation after their name is of growing importance on resumes for ongoing employment security and new opportunities. See page 12 for more detail on the conference.

Board Room Observations

Collective group intelligence is not the result of individual or average board member IQ, according to a *New York Times* article on January 17, 2011, but rather the board members are good at reading each others' emotions, take turns speaking, input is managed fluidly, and each detects each others inclinations and strengths. Studies at Massachusetts Institute of Technology and Carnegie Mellon conclude that this still is not taught formally, but is imparted through arduous experiences.

JOIN A COMMITTEE

NAHC members can now join committees. To apply for a committee contact NAHC office (see masthead for information), and your interest will be passed on to the Board Chair for consideration. State your interest and experience which can be contributed to a committee of your choice. See page 16 for a description of committees.

Government Relations Report

The attention of all associational and other members and local housing cooperatives is being called to the big picture outlook for housing programs is not good because congressional leaders are seeking opportunities for deep cuts in funding and housing is just one of many targeted programs.

Of particular interest to existing operating cooperatives and management agents who have any relationship to HUD funding, the chart below, prepared by the National Low Income Housing Coalition, illustrates the funding status:

FY12 Budget and HUD Appropriations

shown in millions of dollars

HUD Program	FY10 Enacted	FY11 President's Request	FY11 Enacted	FY12 President's Request
Tenant Based Rental Assistance	18,184	19,551	18,371	19,226
New Tenant Based Rental Assistance	75	---	50	--
Project Based Rental Assistance	8,552	9,382	9,257	9,429
Resident Opportunity and Supportive Services	50	0	50	0
Housing Opportunities for Persons with AIDS	335	340	334	335
Homeless Assistance Grants	1,865	2,055	1,901	2,372
Housing for the Elderly (Section 202)	825	274	399	757
Housing for Persons with Disabilities (Section 811)	300	90	150	196
Fair Housing and Equal Opportunity	72	61	72	72

Because the FY11 CR funded many HUD programs at below the level of the President's FY11 budget, it will be a struggle to achieve even that level of funding in FY12. The Administration's request to Congress for FY12 continued a freeze on non-security and non-veterans discretionary funding at the FY10 level the Administration announced last year. HUD has met this goal by cutting capital programs and not increasing other critical resources.

The President's FY12 budget request includes:

- \$1 billion to capitalize the National Housing Trust Fund, not funded in FY10 or FY11;

- A demonstration version of the Transforming Rental Assistance proposal;
- Changes to the Low Income Housing Tax Credit (LIHTC) income targeting;
- The Housing and Services Vouchers for Homeless Persons Demonstration, not funded in FY11;
- The Veterans Affairs Supportive Housing program at FY10 levels;
- Increased funding for Homeless Assistance Grants to implement much of the Hearth Act;
- \$1 billion less than the HUD estimates needing for the Public Housing Operating Fund and a proposal to require PHAs to use excess reserve funding to make up the balance;
- Funding for the Public Housing Capital Fund only at a basic maintenance level;
- Funding for the Choice Neighborhoods Initiative (CNI) to replace the Hope VI program;
- Funding to renew existing Tenant Based and Project Based Rental Assistance;
- Cuts to the Community Development Block Grants and capital programs;
- Elimination of the Resident Opportunity and Supportive Services program (as proposed in FY11).

H.R. 2112: FY 2012 Agriculture Appropriations sponsored by Rep. Jack Kingston (R-GA) cuts some and eliminates some rural multifamily housing programs.

The Government Relations Committee worked diligently with the HUD to revise the 223 (f) regulations, which were adopted in March, 2011. The 223 (f) regulations will simplify a cooperative's ability to re-nance. Further, the Committee is working diligently to get HUD to nalize the reverse mortgage regulations, so that elderly cooperative members with mortgageable shares will be able to use a reverse mortgage as a nancing option.

First Ever Co-op Opens for Homeless Veterans

By Douglas M. Kleine

In November, 2010, 39 previously homeless veterans moved into the Gordon Mansfeld Veterans Community in Pittsfield, MA—the first ever cooperative for homeless veterans in the US. The co-op is adjacent to a veteran’s service complex operated by Soldier On, a nonprofit organization that provides counseling, job training, health advocacy, meals and transitional housing in Western Massachusetts.

for forgivable loans. Staff at the adjacent service center perform appropriate pre-ownership counseling and screening to ensure that applicants are ready for this step to independence and self-sufficiency.

Amenities are low key, such as a horseshoe pit, but considerable investment was made in making the buildings “green,” including a 40kw solar array and high efficiency condensing boiler. The site manager is a veteran, and the initial board has one bank representative, two community representatives and 4 residents. After a short launch period, the board will be entirely made up of residents.

Soldier On plans another co-op near Springfield, MA, on a historic site that has housed a reform school and a police training academy. That site was obtained through a state law passed in 2010 authorizing the governor to make the transfer. An initial phase may contain about 40 units. The site could contain two additional phases.

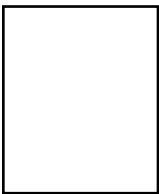
In another program expansion, Soldier On was awarded a multi-million dollar grant under the US Department of Veterans Affairs Innovation Initiatives program. Using the grant and a lease of nine acres from the VA Medical Center in Leeds, MA, Soldier On plans another limited equity co-op for homeless veterans.

Massachusetts has about 6,000 homeless veterans. Nationally, there are over 70,000 homeless veterans, of which about 15,000 are veterans of the Iraq and Afghanistan wars, and only 15-20,000 beds in transitional shelters.

All of the housing facilities are named for Gordon Mansfeld, a native of Massachusetts. Mansfeld is the former Executive Director of Paralyzed Veterans of America, and in that capacity helped NAHC get legislation passed to provide for VA guaranteed share loans. Later he was appointed by President George W. Bush to be Deputy Secretary of the US Department of Veterans Affairs.

Financing for the co-op was far from one-stop shopping. Soldier On teamed up with consultant Taylor Caswell, whose prior experience in the HUD regional office in Boston proved to be invaluable. Funding came from the Federal Home Loan Bank Board, \$3 million from state housing and community development funds, numerous local donations, and \$1.7 million in two Congressional direct appropriations. (Direct appropriations is the technical word for earmarks. The Chair of the House Appropriations Committee for HUD appropriations represents Western Massachusetts.) TD Banknorth contributed \$45,000 to cover soft costs of development.

VASH, a veteran’s program providing project and individual based assistance similar to Section 8, will make the monthly carrying charges of \$640 for studios and \$790 for one bedroom units affordable. Since much of the financing was grants and not loans, the equivalent of debt service is built into the monthly payment and goes to an Individual Development Account which the veteran can access upon sale of the shares or anytime after five years. Initial share prices of \$2500 were covered by private donations and



Douglas M. Kleine is former NAHC executive director, presently an active member of its Publications and Development and Preservation Committees. He is President of Professional Association Services in Alexandria, VA., douglk@verizon.net.

NAHC Board Member on Mass. Honored Group's Committee

Citizens' Housing and Planning Association (CHAPA), Boston, MA, received the annual State and Local Organizing Award from the National Low Income Housing Coalition for its work in the "Vote No on 2" campaign to defeat a ballot initiative to repeal Massachusetts' affordable housing law, which has created 58,000 homes across the state, including 80% of new affordable housing outside of the larger cities. Campaign members were successful in preserving the affordable housing law with more than 1.2 million voters and 80% of cities and towns voting against the ballot initiative by a 58%-42% margin. NAHC board member **Barbara Loatman** has served on a CHAPA committee supporting low and moderate income co-ops. CHAPA board member James Stockard, Jr, was the keynote speaker at NAHC's annual conference in 2004.

NY Co-ops stronger than condos in the marketplace

In New York City, market rate co-ops compete head on with condominiums. The Douglas Elliman Report for the first quarter of 2011 shows co-ops winning. The number of co-op sales was up 28.7%, reaching its highest volume in three years. The number of condo sales dropped 24.3% in the first quarter. Co-ops took less time on the market (119 days versus 140 days for condos), and co-op prices were firmer, with final prices only 2.4% lower than the listing price, versus condo prices that were 7.7% below the listing price.

DID YOU KNOW?

This column is initiated to bring bites of cooperative information to housing cooperators. Contributions for future issues will be welcomed and sources credited. Editors reserve the right to approve and reject submission for publication.

Did you know about conference attendance?

"[Co-op] funds approved by the board in its budget maybe used to pay for each board member to attend one project related training session per year." HUD Handbook 4381.5

Did you know about cooperatives?

During World War I, the federal government began to become directly involved in housing construction outside of government reservations. In 1918, two primary agencies were established to provide housing for industrial workers engaged in essential industries: the Emergency Fleet Corporation (under the United States Shipping Board) and the United States Housing Corporation (under the Department of Labor). By the end of World War I, the Housing Corporation

produced 5,998 units and the Fleet Corporation produced 9,195 units. **Seaside Village** in Bridgeport, CT, was built in 1918 to house workers at a nearby Remington arms factory, and was converted to co-op in 1954. Frederick Law Olmsted, Jr., the son of the designer of New York's Central Park, was manager of the Town Planning Division of the US Housing Corporation. Olmsted later did the landscape planning for **Chatham Village** cooperative in Pittsburgh and the White House grounds.

Did you know history?

Although the first modern cooperative was established in Rochdale, England, in 1848, there were cooperative failures as early as 1820s, mainly due to extension of credit, leading to the principle of cash transactions only.

Did you know about Jerry Voorhis?

He was one of NAHC's founders, was a long term congressman from Orange County, California, and Richard Nixon's first dirty tricks victim.

EMBEZZLEMENTS AND HARD TIMES go together, so be cautious and wary. Good internal financial control is paramount. Standard cautions are:

Handling receipts:

1. An otherwise financially non-involved person should open mail.
2. The mail opener should prepare in duplicate a list of all checks/cash received
 - a. one list goes to the manager
 - b. one list goes to the person making deposits
3. Person making deposits should make deposit slip, check deposit slip against list of items received, and make deposit.
4. Deposit maker gives stamped bank deposit without alterations to bookkeeper who makes the data entries
5. Office Manager should run and mail monthly statements
6. At the end of the month, make the following calculation: current carrying charge receipts, plus current carrying charge delinquencies should equal current gross carrying charges for the month. The current gross carrying charges for the month is constant and should not change during the fiscal year.

Handling disbursements:

1. Bookkeeper does not sign checks
2. Invoices approved by someone other than bookkeeper
3. Purchases handled by someone other than bookkeeper or invoice approver

General observations:

1. Have fidelity bonding*
2. Rotate duties if at all possible
3. Bank statements should be received outside of bookkeeper's office location
4. Reconcile bank statements promptly**
5. Have adequate record retention policies
6. Vacations for these personnel should be mandatory.
7. Proper supervision, verification and follow up is essential on all operations, people and systems.

Additionally, the April 2011 MAHC Messenger published by Midwest Association of Housing Cooperatives, an NAHC association member points out that cooperative checks should require two signatures, and further cautioning of officers: "Ask questions about cooperative financial transactions regularly, and if you are not satisfied with answers provided to you, press the issue further until you are satisfied. You owe it to your members."

*Chicago attorney and former NAHC President Herbert H. Fisher, points out that fidelity bonds and/or crime insurance is a badly misunderstood subject. Management agent bonds do not fully protect the cooperative client's funds regardless of endorsements. The management agent is still the insured and has to be involved in any claim. If the agent disappears or refuses to make claim, the cooperative may be without any protection at all. Each cooperative should consider its own bond or crime insurance in its own name and add the management agent as an added insured with the cooperative having all control over the policy and any claims the cooperative may have. The costs can be negotiated in the management contract. Also, many cooperative's bylaws require officers be bonded.

**Time passing, points out Fisher, can preclude a depositor from collecting losses due to bank error or even forgery. An increasing potential problem is created by banks not returning cancelled checks or providing only front side copies so endorsements cannot be checked; along with the a habit of many payees not endorsing items when deposited.

The National Association of Housing Cooperative's 51st Annual Conference will be held November 9-12, 2011 in San Juan, Puerto Rico at The Caribe Hilton.

Cooperative Housing: Building a Better World

Each year the National Association of Housing Cooperatives conference brings cooperative housing peers, colleagues, and industry experts together to discuss issues and learn how to strengthen cooperative housing in the United States. We invite you to San Juan, Puerto Rico to learn, network, and meet your fellow cooperators at our 51st Annual Conference.

The educational elements are a key initiative of NAHC's mission statement and are the highlight of the conference. This year's event includes 15 New Educational Session courses within the six areas of concentration, with 31 total courses in the current schedule. See the current Educational Sessions below.

Courses offered:

- Finance
- Board of Directors and Management
- Communications and Marketing to Enhance Your Co-Op
- Improving Your Operations
- Knowing your Regulatory and Legal Issues
- Registered Cooperative Managers

Finance

Refinance: Yes/No/Maybe
Basics for Treasurers
NAHC New Member Benefits
Financial Aspects of Strategic Planning

Board of Directors and Management

Duties of the Secretary Beyond Minute Taking
Evaluating Board Performance/Governance
Working with Aging Membership
New Board Member Training
Evaluating Management: What Does Good Management Look Like?
How to Solve Board and Member Conflicts
Real World Team Building

Communications and Marketing to Enhance Your Co-Op

Facilitating Meetings and Your Perfect Annual Meeting
Guerrilla Marketing
Who Are We and Where Are We Going: Exploring the concept of "mission" in your housing cooperative

Improving Your Operations

Cooperatives Ethics
Bed Bugs - How to Find Them and Get Rid of Them
Technology and your Cooperative - Going "Paperless"

Cooperative Connections,
Using a .coop Website
Preventative Maintenance & Curb Appeal
Section 3 Requirements

Knowing your Regulatory and Legal Issues

Fair Housing Laws
Lobbying 101
The Cooperative As An Employer
Working with HUD
Developers Forum
Attorneys Roundtable

Registered Cooperative Managers

Professional Interactions Part I: Legal Responsibilities to the Cooperative; HUD Regulatory Requirements; Fair Housing Laws/ADA
Professional Interactions Part II: Auditing Principles; Municipal Offices; Permits/Sworn Statements/ Waivers of Lien
Community/Staff/Board Interactions: Your Role with the Board; How to be a Manager and Supervise Staff; Conflict Resolution
RCM Roundtable
RCM Class Overview



Cooperative Housing Certification Courses offered: RCM

The Registered Cooperative Manager (RCM) Certification program is a sought-after professional designation for cooperative housing managers and is the only nationally-recognized designation and certification specializing in Cooperative Management recognized by the Registered in Apartment Managers (RAM program). NAHC is pleased to include the RCM Course offering prior to the Annual Conference, from November 7-9 in San Juan, Puerto Rico at our host conference hotel, the Caribe Hilton.

Registered Cooperative Manager Course Schedule:

- Monday, Nov. 7: 9 a.m. – 5 p.m. RCM Course, Part I
- Tuesday, Nov. 8: 9 a.m. – 5 p.m. RCM Course, Part II
- Wednesday, Nov. 9: 9 a.m. – noon RCM Course, Part III and Exam

Register today using the online system or return a completed registration form to the NAHC of ce via fax (202) 216-9646 or mail: NAHC, 1444 I Street, NW, Suite 700, Washington, DC 20005-6542.

Visit NAHC's Conference website page for updated Course Schedules.



Housing Cooperative Tours

Due to popular demand, this year's conference also includes a return to a tour of area housing cooperatives among our ancillary conference activities. Puerto Rico's housing cooperatives have long waiting lists and are occupied by successive generations of original families, both of which attest to the co-ops' desirability. Our tour will include visits to many of these long standing cooperatives.



Conference Registration

No U.S. passport required! Puerto Rico is a commonwealth of the United States. U.S. citizens do not need a passport or visa to enter the Island. For non-U.S. citizens, entry requirements are the same as for the U.S. mainland.

Conference website links:

- [Online registration](#)
- [Conference Electronic Brochure](#)
- [Hotel Reservations](#)



Hotel Information, Caribe Hilton

A limited number of guestrooms at the Caribe Hilton are reserved at a discounted rate of \$169.00 single/double (additional taxes will apply) until Monday, October 17, 2011. Click [here](#) to register online via the hotel's online system, phone 1-800-468-8585. In order to receive this special rate, you must mention the National Association of Housing Cooperatives when making your reservation.



NAHC Member Airlines Discount

NAHC has partnered with American Airlines to provide our attendees a 5% discount off ANY published airfare on www.aa.com for our 51st Annual Conference in San Juan, Puerto Rico.

The valid travel dates for this discount are November 5-16, 2011. You can easily access American's fares and apply this discount by going to www.aa.com to book your flight. Place the **Promotion Code 53N1AX** in the promotion code box and your discount will be calculated automatically. This special discount is valid off any applicable published fares listed for American Airlines, American Eagle, and American Connection. International originating guests will need to contact your local reservation number and refer to the Promotion Code.

You may also call 1-800-433-1790 to book your flights, please refer to the Authorization Number 53N1AX when you call. **Please note there is a reservation service charge for all tickets issued by phone.**



Schedule of Events

Monday, November 7

9:00 a.m. – 5:00 p.m. *Registered Cooperative Manager Course, Part I

Tuesday, November 8

9:00 a.m. – 5:00 p.m. *Registered Cooperative Manager Course, Part II

Wednesday, November 9

8:30 a.m. – 5:00 p.m. Conference Registration

9:00 a.m. – 12:00 p.m. *Registered Cooperative Manager Program, Part III and Exam

9:00 a.m. – 1:00 p.m. NAHC Committee Meetings (by invitation only)

11:00 a.m. – 4:00 p.m. *Barceloneta Premium Outlets Tour

1:00 p.m. – 5:00 p.m. *Bacardi Rum Distillery and Old San Juan Tour

1:00 p.m. – 5:00 p.m. *Puerto Rico Cooperative Tour

1:00 p.m. – 5:00 p.m. NAHC Board of Directors Meeting (by invitation only)

5:00 p.m. – 6:00 p.m. First Time Attendee Orientation

6:00 p.m. – 7:30 p.m. Opening Reception

Thursday, November 10

8:00 a.m. – 5:00 p.m. Conference Registration

8:00 a.m. – 5:00 p.m. Exhibit Hall Open

9:00 a.m. – 10:30 a.m. Opening General Session & Keynote Speaker

10:45 a.m. – 12:15 p.m. Concurrent Breakout Sessions

12:15 p.m. – 1:45 p.m. Strut Your Stuff: Co-op Pride Luncheon

2:00 p.m. – 5:15 p.m. Concurrent Breakout Sessions

Friday, November 11

8:30 a.m. – 5:00 p.m. Conference Registration

8:30 a.m. – 2:00 p.m. Exhibit Hall Open

9:00 a.m. – 12:15 p.m. Concurrent Breakout Sessions

12:15 p.m. – 1:45 p.m. Awards Luncheon

2:00 p.m. – 5:15 p.m. Concurrent Breakout Sessions

5:15 p.m. – 5:45 p.m. Candidates Forum: Meet Your Board Candidates

5:45 p.m. – 6:30 p.m. Member Association Caucuses

7:00 p.m. – 11:00 p.m. *Casino Metro Tour

Saturday, November 12

9:30 a.m. – 10:30 a.m. General Session

10:30 a.m. – 12:00 p.m. Annual Meeting of Members

12:00 p.m. – 1:00 p.m. NAHC Board of Directors Meeting (by invitation only)

1:00 p.m. – 5:00 p.m. *Bacardi Rum Distillery and Old San Juan Tour

1:00 p.m. – 5:30 p.m. *El Yunque Rainforest Tour

*Separate Registration Fee Required

puerto rico
nov 9-12 2011

NAHC's
51st Annual
Conference



Visit
www.nahc.coop
for online registration

Complete both pages
of the registration
form and fax to
(202) 216-9646

1444 I Street NW,
Suite 700
Washington, DC 20005

Co-Op/Organization: _____

Name: _____

Phone Number: _____ Email Address: _____

First Name: _____ Last Name: _____

Title: _____

Address: _____ City: _____ State: _____ Zip: _____

Phone Number: _____ Email Address: _____

Do you have special dietary requirements? (please describe): _____

Do you have special access needs? (please describe): _____

Please select all that apply I am on a Co-Op Board I am a Professional in the Co-Op Field
 I am a first-time attendee

Registration fees include admission to all sessions (including the New Board Member Training), the exhibit hall, the Opening Reception, the Strut Your Stuff: Co-op Pride Luncheon on Thursday and the Awards Luncheon on Friday.

	Early	Regular	Late
<input type="checkbox"/> First NAHC Member	\$700	\$800	\$850
<input type="checkbox"/> Additional NAHC Member	\$625	\$725	\$775
<input type="checkbox"/> Non Member	\$825	\$925	\$975

TOTAL CONFERENCE FEES \$ _____

The RCM Certification Course is an additional fee separate from the conference. If you plan to be RCM Certified, you must register below.

	Regular	Late
<input type="checkbox"/> Member	\$680	\$730
<input type="checkbox"/> Non Member	\$750	\$830

TOTAL RCM COURSE FEES \$ _____

All tours listed below are optional.

- Barceloneta Premium Outlets Tour \$ 40
- Bacardi Rum Distillery and Old San Juan Tour \$ 55
- Puerto Rico Cooperative Tour \$ 35
- Casino Metro Tour \$ 30
- Bacardi Rum Distillery and Old San Juan Tour \$ 55
- El Yunque Rainforest Tour \$ 55

TOTAL OPTIONAL TOURS FEES \$ _____

Some attendees prefer to not eat at the meal functions that are included in the above registration fees. The meals are factored into the registration fee, so you are entitled to eat with the group,

I plan to attend the following:

- Strut Your Stuff: Co-op Pride Luncheon on Thursday
- Awards Luncheon on Friday

Cancellation Policy

All cancellations must be received in writing to NAHC via mail, email or fax. A refund less an administrative fee of \$95 per registration will be issued if received by Friday, October 7, 2011. Due to financial obligations incurred by NAHC, no refunds will be issued on cancellations received after October 7, 2011. Substitutions from the same company will be permitted at any time prior to the meeting start date without penalty. ALL refunds will be processed after the conference.

TOTAL CONFERENCE FEES \$ _____

Step 3, Page 1

TOTAL RCM COURSE FEES \$ _____

Step 4, Page 1

TOTAL OPTIONAL TOURS FEES \$ _____

Step 5, Page 2

PROCESSING FEE \$ _____

You must pay the processing fee if you are mailing or faxing in your registration.

GRAND TOTAL \$ _____

Check # _____

- Mastercard
- Mastercard Debit Card
- Visa
- Visa Debit Card
- American Express
- Discover

Card No. _____ Security Code _____ Exp. Date _____

Name on Card _____

Billing Address _____

Signature _____

