

COOPERATIVE HOUSING BULLETIN

A member service of the National Association of Housing Cooperatives

Summer 2015

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How to Handle the Member Hoarder

By Amanda Brock

CHANCES ARE THERE MAY BE A HOARDER LIVING IN YOUR COMMUNITY RIGHT NOW.

Are your community team members prepared to identify and manage a hoarding situation?

Hoarding is a dark secret for many people. For others, it's just a way of life. Some don't even realize they have a problem with hoarding until others point it out. It's not a matter of "bad housekeeping," "laziness," or "a bad habit" to be corrected. Removing the person's stuff will not fix his or her problem.

Hoarding is a mental disorder, and often, it is genetic.

Hoarders have a compulsive need to acquire things, difficulty discarding things and strong feelings towards their possessions. However, hoarding is not like collecting. Hoarders accumulate so many possessions that their units, cars and even their workplaces can no longer be used for their intended purposes. According to the American Psychiatric Association, two percent to five percent of the U.S. population can be clinically labeled hoarders.

In psychological terms, the items may become part of a coping mechanism to help the hoarder deal with his or her fears, uncertainty, and need for control or responsibility. The person may feel shame or guilt if others discover his or her behavior. For this reason, hoarders may distance themselves from family and friends in order to hide their living conditions.

There is no typical hoarder. Your community team members will not be able to identify a hoarder by the way they speak, dress, or present themselves. The disorder affects every race, sexual orientation, gender, nationality, socioeconomic class, religion, and education level. Many hoarders are discovered when neighbors notice strong odors, buckling floors, or infestations in their own units. Train your community team members, including your maintenance teams, to maintain strong relationships with your member and to be aware of the telltale signs of hoarding.

disorder. More surprising, they estimate that almost half of the U.S. population will develop at least one mental disorder during their lifetimes.

In 2013, the American Psychiatric Association recognized hoarding as a mental disorder. As a disability, the 1988 amendment to the federal Fair Housing Act protects hoarders because their major life activities are significantly limited by mental impairment. Keep in mind that the Fair Housing Act also:

- ▶ Protects against disability discrimination for members without disabilities who live with or are associated with persons with disabilities.
- ▶ Does not allow for discrimination on the basis of fear, speculations, or stereotypes about a disability or persons with disabilities.
- ▶ Requires that property managers or boards make reasonable accommodations for members with disabilities.

What qualifies as a reasonable request from a hoarder? That answer will change with each situation. No two hoarders are alike in severity or even the types of items they hoard. Community team members should be realistic when considering the request of the hoarder. Supplying additional on-site storage space or agreeing that the member would hire a cleaning service in order to

Continued on page 6 >



Hoarding and the Fair Housing Act

The Center for Disease Control and Prevention estimates that one in 20 Americans have a mental

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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 cooperatives in Washington, DC, and by providing education, service, and information to cooperatives.

Mission Statement

NAHC's mission is to support and educate existing and new cooperative housing communities as the best and most economical form of homeownership.

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CAHC	California Association of Housing Cooperatives
CHANE	Cooperative Housing Association of New England
CNYC	Council of New York Cooperatives & Condominiums
CSI	CSI Support & Development Services
FNYHC	Federation of New York Housing Cooperatives & Condominiums
MAHC	Midwest Association of Housing Cooperatives
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About Bostrom

Bostrom Corp. is the professional services firm managing the National Association of Housing Cooperatives affairs. Mitch Dvorak serves as NAHC Executive Director.

The Board Meets with HUD, Progresses with Committee Work Using the Cooperative Housing Model

PRIOR TO THE MAY BOARD MEETING, members of the Board of Directors of the National Association of Housing Cooperatives (NAHC) recently met with HUD representative Katherine Nzive, Director, Office of Asset Management and Portfolio Oversight Program Administration Office, regarding the field policy offices. During this meeting, members also discussed HUD policy with her. Additionally, Ms. Nzive brought the attendees up to date on current HUD issues, including the reorganization.

The board members, in turn, talked about the importance of the cooperative housing model and the difference between it and the rental model. Nzive also mentioned that HUD would consider assigning a HUD liaison to NAHC. This news was received with great anticipation of its implementation. NAHC's President Gregory Carlson is following up on that issue. Concurrently, NAHC held the RCM class and graduated six new candidates and recertified one manager.

NAHC's committees are the fundamental footings of NAHC. Also at the NAHC Board meeting, members heard about progress on items that the committees are working on.

- ▶ The Bylaw Committee is working on updating NAHC's governance including an extensive revision to NAHC's existing bylaws.

- ▶ The Communications Committee is reviewing and revising a marketing and social media plan to inform members more effectively and to inform others about the cooperative housing model.

- ▶ The Membership Services Committee, besides preparing for the annual conference at Hilton Head Island from October 14 to October 17, 2015, will be unveiling a new hardship grant for a cooperator who wants to attend the conference but cannot afford to do so. The Mutual Marketing & Advocacy Committee (which is made up of a representative of each member association) stressed the need to complete NAHC's profile.

- ▶ The Government Relations Committee with NAHC's Governmental Relations Specialist Judy Sullivan, spoke about progress on the FEMA issue (see the Report from Washington) and the need for NAHC's membership to get more involved with

local federal government officials to educate them about NAHC's national issues.

Since it was Co-op week in Washington, D.C., NAHC Treasurer Linda Brockway and President Carlson attended the National Cooperative Business Association (NCBA) conference. Its annual meeting was focused on a day on Capitol Hill, talking to the US Senators or their staffs. NCBA broke up participants into groups based upon geographical location. On that day Brockway and Carlson discussed NAHC issues, such as FEMA, reverse mortgages, and veterans share loans with seven different senators' staff members.

The other important event that transpired during the NCBA's annual meeting was a presentation on disseminating the word about cooperatives. The whole cooperative movement, whether it's rural electric, credit unions, food, worker, or housing cooperatives, is struggling in this regard.

NCBA is also leading the charge to develop a program of education about cooperatives, so that the world can see and demand the cooperative model. NCBA board members who presented the educational program are funding up \$500,000 to start it; NAHC will play an integral role.

During the week, the Cooperative Development Foundation held the annual Cooperative Hall of Fame dinner on May 6th. The evening was spent meeting and conversing with very interesting cooperators. The inductees' presentations were emotional as they spoke of their history in cooperatives and reminded participants how great cooperators are. To cap off Co-op Week, the National Cooperative Bank (NCB), an NAHC supporter, held its annual meeting the next day.

As you can see, NAHC is hard at work making sure the cooperative housing model is in our fellow cooperators' minds and in the public's eye. Join us at the annual conference in October as NAHC continues the work of cooperatives using the cooperative housing model. **CHB**

—Greg Carlson, Ralph J. Marcus, Fred Gibbs, Anne Hill, and Linda Brockway



Greg Carlson



Ralph J. Marcus



Fred Gibbs



Anne Hill



Linda Brockway

Government Relations Committee Advocates for Cooperatives in Many Arenas

VA LOAN GUARANTEES FOR VETERANS PURCHASING COOPERATIVES

The committee noted that Representative Carolyn Maloney will again introduce her legislation to require the Veterans Administration to release guidelines to include housing cooperatives in its Home Mortgage Loan Guaranty program around Veterans Day. Representative Maloney has asked for NAHC's help in compiling a list of veteran and cooperative organizations across the country that would sign on to a letter endorsing this legislation and to help secure co-sponsors.

AMATEUR RADIO PARITY ACT OF 2015

If H.R. 1301 is enacted into law, it would override any regulations that a cooperative might want to establish restricting or regulating the use of ham radios and accompanying antennas or other structures within its community.

INCOME TAX RESTRUCTURING

Legislation has been introduced to modify the homeowner property tax and mortgage deductions from federal income taxes and to use the funds recovered to fund low-income housing programs. While this particular bill is unlikely to pass, NAHC will continue to monitor any similar proposals.

Marketing Plan Integrates Communications, Annual Report Sets NAHC's Priorities

NAHC STAFF has drafted an integrated marketing plan for the Communications Committee to review. This plan is an internal document that NAHC leadership uses and staff updates to capture the integrated marketing infrastructure, strategies, and tactics for NAHC to achieve its annual goals and further advance its mission. The plan also provides a road map for NAHC's future goals, strategies and resource planning.

In addition, NAHC staff disseminated the 2014 Annual Progress Report this spring. Last year, NAHC introduced the concept of NAHC as "America's Home for Cooperative Housing." The theme for 2014-2015 reflects the association's strategic priorities of increased transparency, access, and collaboration with other national cooperative organizations: *A New Generation for Cooperative Housing*.

Members Services Committee Strives to Educate, Save Cooperatives Money

IN ADDITION TO PROVIDING COOPERATIVE education through the annual conference, the Member Services Committee is also working to expand the 3 R's Training Program and the Wells Fargo Insurance Program and to add buying programs that would assist cooperatives in saving money.

RCM Board of Governors Graduates Six and Recertifies One Manager

Six managers studied and passed the Registered Cooperative Manager (RCM) course and one RCM received recertification in Washington, D. C. on May 7 and May 8, 2015. The new RCMs are Houda Chawki, 270 Seaman Owners Corp., Jersey City, NJ; Angela Coleman, Village Green Second Section, Dallas, Texas; Denise Crowder, London Towne Houses, Atlanta, Ga.; Bob Cuttle, Trinity Management Co., Boston, Mass.; Deisha Jenkins, Oxford Village Townhouses, Atlanta; and Linda Smith, Village Green Second Section. Sherry Hickman, Village Green Second Section, received RCM recertification.

NAHC treasurer and RCM instructor Linda Brockway taught the history, business, and ethics classes. Ethics also serves as the recertification class. NAHC President Greg Carlson also attended as the chair of the RCM Board of Governors. **CHB**

Committee Drafts Investor and Developers Article and Conference Workshops

LAST YEAR THE DEVELOPMENT COMMITTEE crafted a template and information for The Path to Funding. This year the committee's major contribution is focused on developing a collateral piece that will outline the specific benefits to investors and developers for building cooperatives versus condominiums. Following on that theme, the committee is planning two sessions for the annual conference. One workshop will be devoted to developers and funders and the other to crowd funding. **CHB**



Picking a Lender and Comparing Loan Offers

By Hugh Jeffers

Editor's note: This article is the last in a two-part series on cooperative financing. In the spring issue, the author focused on assessing the cooperative's current position, determining financing goals, and preparing an information package for lenders.

Pick a lender that understands and works with cooperatives.

Refinancing your property involves several steps, and you need to make sure you follow a good process to insure that you get the financing you need. Picking a lender and comparing financing offers are critical steps in the process. Choose several qualified lenders to give you proposals. The key word here is “qualified.” Not all lenders are the same and can provide exactly what you need. When selecting lenders to provide proposals, consider the following:

- 1] Pick a lender that understands and works with cooperatives – This is the most important criteria in selecting a lender. Most lenders do not understand cooperatives. Your lender should be well versed in the ownership structure and how the decision making process works. It should be sensitive to the needs of the member/owners. Thus, your lender should have a track record of working with cooperatives.
- 2] Your lender should provide the type of financing you need – Not all lenders provide the same type of financing. Some programs do not allow for substantial rehabilitation of a property. If you need a rehabilitation loan, make sure the lender can provide it and has experience doing them.
- 3] If you have a Section 8 contract or use agreement with HUD, make sure your lender has experience working with HUD – Not all lenders have experience working with HUD. If you are subject to a Section 8 contract or use agreement, your lender needs to have experience with these types of transactions.
- 4] Choose a lender that controls the underwriting, funding, and servicing of your loan from start to finish – Not all lenders do all things. Some lenders don't fund their own loans or service them. It is typically better to work with a lender that controls the entire process. They will have an easier time overcoming issues that may arise. A lender/servicer provides continuity after closing.

Choosing a proposal is not always a straightforward process. The most important step is understanding the goals and objectives of the financing. Some cooperatives may want the security of a long-term, fixed-rate loan program where you know your debt cost over the next 30 years, even though that may cost more up front. Other cooperatives may not have an issue with the risk of a short-term loan that may have a floating rate. The key is making sure the loan fits your objectives at the lowest possible risk to you.

It is critical that you are comparing apples to apples when choosing the best proposal. You may have two proposals that fulfill your needs. One may be a long-term, fixed-rate product; the other may have a shorter term. FHA loans typically are 35-year loans with a fixed rate the entire period. These loans may cost more up front, but you will not have to refinance the loan in 5 or 10 years and incur those costs again. Also, there is an interest-rate risk. Rates may be much higher when you refinance. It may be worth taking the risk. You just need to understand the potential cost when doing so.

The proposal should lay out all of the costs associated with the loan. Make sure the term is provided so you can evaluate the cost as a function of the term of the loan. Typical costs associated with a loan will include:

- 1] Engagement/Processing Fee – This is a fee to cover up-front underwriting costs for the lender. It is typically \$5,000.
- 2] 3rd Party Fees – These costs include reports required for the financing application including appraisals, market study, Environmental Phase I, and engineering fees. It also may include a property survey.
- 3] Origination Fee – This is the fee for originating the loan. It is typically 1% to 2% of the loan amount.
- 4] Placement Fee – This fee is for placing the loan with an investor. It is typical on FHA transactions.
- 5] Mortgage Insurance Premium – It is typical for FHA loans and an upfront fee paid to HUD.
- 6] Other HUD fees – HUD charges an application fee and inspection fee associated with FHA loans.
- 7] Lender Legal Fees
- 8] Title and Legal Fees – These costs depend on the size and jurisdiction of the loan.

There may be other fees associated with the loan, such as a rate lock fee which is refunded at closing. Make sure the lenders spell them all out clearly. And remember, if you choose a short-term loan, you will be incurring all of these fees again to refinance at maturity. **CHB**



Hugh Jeffers is a NAHC board member and director of New Age Housing located in Pittsburgh, Pa. and vice president of Centennial Mortgage headquartered in Seattle, Wash.

remain in the unit would be reasonable accommodations.

Your community team members can refuse reasonable accommodations if it creates an undue financial or administrative burden or fundamentally changes your cooperative's operations. But instead of refusing a request, it's in the cooperative's best interest to work with the member to find alternative accommodations that are mutually beneficial. Remind your team that hoarders are part of a protected class—it is against the law to discriminate because they have a disability.

Dangerous situations—fire hazards, unlivable conditions and infestations—should be addressed immediately. Likewise, if children, elderly persons, or animals are being neglected or abused, the community

team members should immediately contact local protective services.

Planning

For your community team members, hoarding can cause upheaval. From structural damage and unlivable conditions to fire hazards and infestations, your cooperative is at risk from hoarding. While your instincts may tell you to terminate the membership immediately, that's not always the best approach.

At Grace Hill, we recommend working with the member to resolve the issue. Each situation will be different, but by establishing a plan and time line, your community team members can provide ample opportunities that benefit the member hoarder and your cooperative. Let's take a look at five steps for working with hoarders and how to avoid termination of membership (when possible) and potential claims of discrimination.

1. UNDERSTAND THE SITUATION AND ACT ACCORDINGLY. Take time to train your staff to understand hoarding disorder and to handle the situation with sensitivity. If your maintenance technician engages with the member during a repair call, train them to use the same language as the member when referring to his or her "things" or "collections;" do not refer to the member's possessions as "junk" or "trash." The member may be ashamed, embarrassed, or even unaware of the hoarding. Train your team to respect the hoarder's attachment to his or her belongings, exercise good judgment, and be considerate when talking to the member about health and safety concerns.

2. DOCUMENT EVERYTHING. The member may be wary of allowing cooperators to enter his or her unit. Hoarders will rarely request a maintenance repair or allow routine maintenance, making it almost impossible for maintenance technicians to identify potential problems in the unit. Check your mutual ownership contract (MOC). Does it allow community team members to enter and inspect the unit without the member's permission? If not, you may want to consider changes to your MOC.

If possible, have a trained property manager or member services

staff conduct a thorough inspection to determine if the issue at hand is hoarding or a lack of housekeeping. They should evaluate the unit for safety, noting blocked doorways and stairs, structural damage, unsanitary conditions, non-working utilities or appliances, or infestations. Combustible materials stored close to an ignition source should be immediately removed from the premises using appropriate precautions. It is best to photograph or video the unit in addition to the community team member's written documentation. If the situation does not improve, this documentation may be used in future litigation.

3. CONSULT WITH OTHERS AS NEEDED.

Because hoarding is a disability, you should consult with your legal counsel on the legal guidelines and ramifications for hoarders. If children, elderly persons, or animals are present, involve local protective services and/or law enforcement. For structural damage or health code violations, local code enforcement and inspectors may need to be involved. If possible, provide the community team with a list of local agencies and their contact information.

4. WORK WITH THE MEMBER. Under the Fair Housing Act, hoarders can request reasonable accommodations. Your designated community team member should establish a plan and time line for cleanup that will allow the member to stay in his or her unit and accommodate the requests for changes. Work with your maintenance technicians to enlist the help of cleaning and disposal services. Ask the member to reach out to family and friends to support them through the transition and to seek professional help. To avoid potential discrimination claims, be consistent in the types of accommodations and time lines used in hoarding situations.

Discuss realistic expectations with your community team. A hoarder's unit will most likely never return to its pristine, new construction appearance. Train your community team to understand what is an acceptable improvement when working through a resolution plan.

5. IF ALL ELSE FAILS, MOVE FORWARD WITH A TERMINATION OF MEMBERSHIP.

In cases where the member is hoarding

Prevalence is estimated at 5.3%; highest in those 55 and older (6.2%) and lowest in those 34-44 (2.3%)

Hoarding is four times more likely for those with childhood adversities (e.g., physical discipline, house break-ins)

Among males, who tend to display more severe forms of hoarding than females, compulsive hoarding is associated with anxiety and tic disorders. In females, it is associated with schizotypal and dependent personality disorders.

Commonly hoarded items include books, newspapers, mail, notes, clothes, animals (live and dead), and food. Individuals with hoarding behaviors frequently develop excessive and emotional attachments to items.

Up to 85% don't recognize the irrationality of their hoarding; hoarders rarely seek help.

Intervention is often the result of complaints to health departments or social services.

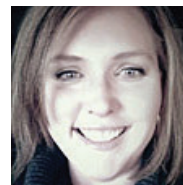
Twin studies suggest a strong genetic link that may account for up to 50% of observed variance in compulsive hoarding.

Up to 80% of individuals with hoarding behaviors have a first-degree relative with hoarding symptoms.

Reprinted with permission from Dr. Guido Zanni, Alexandria, Va.

explosives or animals, blocking emergency exits, or causing damage to his or her unit, the cooperative may be able to immediately begin the termination process. Due to the costs and timeliness, it's best to exhaust other options before attempting to terminate the membership. Work closely with your legal counsel and local governing and emergency agencies to determine the best way to proceed and stay within the law.

The cost and time consumed when evicting a hoarder can quickly add up. The Fair Housing Act prohibits discrimination based on disabilities, so take the time to train your community team to identify and manage hoarding situations. Initiating a plan of action cannot only help maintain a great on-site experience in your cooperative, it can also help a member get the help he or she needs to overcome hoarding. **CHB**



Amanda Brock is an instructional designer at Grace Hill, Inc., a provider of online education and learning management solutions for the multifamily housing industry. Brock has

over a decade of experience in marketing, public relations, technical writing, and training. She currently lives in Greenville, S.C. Reprinted with permission from Multi-housing News.

GHI's Policy on Hoarding

Overview

Greenbelt Homes, Inc. (GHI)'s governing documents require members to maintain safe and healthy housing units at all times. GHI has experienced cases of hoarding behavior by members. Hoarding of objects or animals, and related situations, violate the bylaws and the mutual ownership contract by failing to maintain a safe and healthy environment. There is also a cost to GHI membership when these conditions exist and must be dealt with by staff; in some cases, excessive staff time is required to monitor and mitigate hoarding situations to ensure safe living conditions for GHI members.

The GHI governing documents also define the process for handling complaints against members for violating rules. In extreme cases, the problems presented by hoarding behaviors need to be dealt with outside the established complaint procedure, in order to protect members' health and safety.

GHI wishes to adopt a policy on hoarding in order to:

- Respond appropriately when dangerous or unhealthy conditions are present;
- Minimize impacts on neighbors and other members due to complications from hoarding behavior; and
- Provide guidance to staff regarding how to identify and deal with hoarding situations.

Discovery of Hoarding Situations

GHI does not actively inspect homes for hoarding behaviors. GHI performs routine inspections of the electrical and plumbing and may enter members' homes for maintenance or emergency purposes. Staff are encouraged to report potential hoarding situations if they are encountered. In other cases, neighboring members may complain of odor, pests, or other conditions which may be related to hoarding behaviors. The City of Greenbelt may also discover hoarding cases through their code enforcement, emergency response, or animal control activities, and City agencies are also encouraged to report these instances to GHI.

In all cases, no matter how discovered, if GHI has reason to believe that a hoarding situation may be present, it has

the obligation to investigate further in order to protect cooperative assets and members' health and safety.

Guidelines for Determining Condition of the Home

When a potential hoarding situation is reported or discovered, GHI staff will conduct an inspection of the unit. In reviewing and recording the conditions present in the unit, the following information will be sought:

- Are there immediate health and safety dangers present?
Potential examples are:
 - o Access within the unit is greatly restricted; emergency access is hindered
 - o Fire hazards are evident
 - o Biohazards such as rotting food, animal or human bodily waste, or other unhealthy conditions are present
 - o Infrastructure such as wall coverings, floor coverings, electrical systems, or plumbing systems are compromised or in danger of failure
 - o Presence of excessive pest or rodent conditions
- Are violations of city code, GHI rules, or other official documents present?
- What is the current impact on this and neighboring units, and what is the potential impact if the conditions present are allowed to remain or deteriorate?
- What is the outcome the current conditions could contribute to?
- Is the member aware of the conditions of the home?
Does the member understand the potential impacts of the behavior on this unit and/or on other members?
- Are there past recorded incidents of similar conditions in the home? What direction is the trend?

Following the initial inspection by GHI staff, a determination of the home's condition will be made. The determination indicates the level of hoarding behavior and its potential impact on the cooperative, and dictates the next steps to be taken.

This excerpt from the GHI Policy on Hoarding was approved by Board of Directors August 18, 2011. GHI, a 1,600 unit cooperative, located in Greenbelt, Md. The policy is reprinted with permission.

Challenges Abound in Creating New Housing Cooperatives in the San Francisco Bay Area

By Rick Lewis

The San Francisco Bay Area is one of the most expensive housing markets in the US. Homeownership is out of reach for most low and moderate income people. This fact has led to a renewed interest in smaller limited-equity and non-equity housing cooperatives as a way to create new, affordable homeownership.

Several local Community Land Trusts (CLT) have been in the forefront of this effort. In 2009, San Francisco CLT completed the renovation and conversion to limited equity housing cooperative (LEC) of the 21-unit

where the assessor generally assesses cooperative property at market rates even if it was acquired at below market value. This procedure is because of requirement that the assessment of the property be at market value with no recognition that a LEC is essentially out of the market because of limits on equity increase.

In California, nonprofit rental housing is exempt from property taxes if the residents have incomes below 80% of the area median income (AMI). LECs do not qualify for this exemption as they are defined as homeownership. With the incredibly high price of real estate in the area, market value results in property taxes that make most LECs unfeasible to serve a population with incomes below 80% AMI, a requirement of the IRS tax code.

To address this challenge, local CLTs have a new cooperative model, called the Resident Operated Nonprofit (RON). SFCLT has created two new cooperatives with this model, a 10-room and a 14-room house. BACLT recently acquired a 10-unit property that will convert to a RON. Governance under this model looks very similar to a LEC. The primary difference is that there is no share purchase. As a result, government agencies view members as renters, and therefore, the RON qualifies for the property tax exemption. This tax status can significantly reduce operating costs and make a RON cooperative affordable to lower-income members.

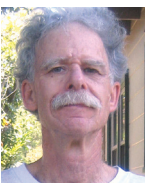
This model has been adopted by the Oakland CLT in its new program to create low-income affordable homeownership. Assisted by SFCLT and BACLT, OakCLT has conducted a series of community meetings to build support, and numerous community-based organizations have signed on as endorsers. Oakland is a rapidly gentrifying community with many people moving to the city from San Francisco where a one-



Columbus United Cooperative is a 21-unit limited equity housing cooperative based in San Francisco.

Columbus United Cooperative. In 2013, the Bay Area CLT created a three-unit Derby Walker House Co-op. While Berkeley had at least 10 LECs created in the 1980s and 1990s, this building was the first new LEC in 18 years.

One of the reasons so few new LECs have been created in the Bay Area, and in California, are the barriers at the state and local levels. As reported in “California Governor Brown Signs Cooperative Housing Bill” on page 19 of the Winter 2015 issue of the Cooperative Housing Bulletin, cooperative advocates were able to reduce some barriers last year with AB569. However, one significant barrier remains with the Subdivision Map Act, which adds significant cost to creating LECs, owing to a cumbersome and unnecessary process. An even higher financial hurdle comes at the county level



Rick Lewis is the executive director of the Bay Area Community Land Trust in Berkeley, Calif.

Continued on page 9 >

Community Land Trusts in the San Francisco Bay Area are taking the lead in creating new, resident controlled housing cooperatives.

The Brown Shingle Collective (below left), a 10-unit cooperative situated in Berkeley, was donated to the Bay Area Community Land Trust. Derby Walker House Co-op (below right) is three-unit LEC located in Berkeley.

bedroom apartment rents for \$3,500. As rents climb in Oakland, many long-term residents are being forced out. OakCLT is targeting smaller buildings, 20 units or less, and seeking buildings where tenants are organized and interested in taking on self-management. They have been approached by many renters whose buildings are being sold, but prices are high, and properties sell quickly. It has been difficult to put together the financing in a timely manner, especially without support from the city's affordable housing funds. The City of Oakland provides substantial subsidies to first-time home buyers, but these funds are available only for single-family homes or condominiums, not cooperatives.

The City of San Francisco has created a Small Sites Acquisition Program with funds to purchase and renovate properties up to 25 units. This program has allowed SFCLT to acquire several properties where the tenants faced likely displacement when the building is sold. A current goal of the CLT community is to help create similar funds in Oakland and Berkeley to allow smaller buildings to be acquired and converted to resident-controlled housing, like LECs and RONs. However, until such funds are in place, more creative means are necessary to create new cooperatives.

BACLT has acquired two properties through donation. In 2013, the Derby Walker House Co-op was donated by a group of 12 individuals and families that had collectively purchased the property in 1971. This three-unit building had a very loose organizational structure, passing units on to those who needed them. When the building was offered to BACLT, the children of three of the original owners were living there. The property was transferred

debt free, but because of significant deferred maintenance, there was a need to borrow money to make repairs. An LEC was formed and thanks to the relatively low mortgage, the homeowners are able to pay the property taxes. The second property, the 10 unit Brown Shingle Collective, was donated to BACLT in 2015. This property was originally acquired in 1975 after a rent strike forced the landlord into foreclosure. This property operated as resident controlled housing for 40 years without any formal legal structure. However, rents were kept very low, and significant deferred maintenance accrued. BACLT has begun a major renovation of the property and will begin a training program for the residents to eventually convert it to a RON.

SFCLT has used some creative financing mechanisms to preserve affordable housing as resident controlled housing. To acquire the 14 bedroom house in the rapidly gentrifying Mission District, the owner agreed to take a second mortgage at 3% interest for 20% of the sales price; the first mortgage was for 80%. This arrangement meant no additional funds needed to be raised. The owner will be paid in 5 years through the City of San Francisco's Small Sites Acquisition Program.

Community Land Trusts in the San Francisco Bay Area are taking the lead in creating new, resident controlled housing cooperatives. They have had to be creative in both legal structure and financing, and the rapidly increasing sales prices have made this enterprise extremely challenging. They are working to build community support and to increase financial assistance from local governments. There is substantial interest among people wanting to live in cooperatives, and there will be several new cooperatives in the area in the coming years. **CHB**





New Tools for a New Age

By Fred Gibbs

The tech landscape is constantly changing and is sometimes a confusing combination of terms, much of which have existed for little more than a decade. Hacker, software, data storage, cloud computing, cloud storage, remote access, virtual machine, operating system, open source, website, web hosting, URL, social media, phishing, and many more are now part of our business and personal communication. At first blush, it can be overwhelming for the uninitiated. However, avoidance is not an option. Housing cooperatives must adapt to the changes, and dare, I say, embrace them to solve many of the problems facing the cooperative community.

Housing cooperatives must adapt to the changes and embrace them to solve many problems....

Cost-savings is a consideration for most cooperatives. This writer subscribes to a concept called, Life Below Retail (LBR) and applies it to technology solutions. In this article, I will explore many tech solutions that are well below retail. In fact, they are all free.

The article will review the options as they relate to:

- ▶ Organization
- ▶ Collaboration
- ▶ Data Storage

Organization

Task and document organization is a problem facing most cooperatives and their offices. Each day presents new assignments and deadlines. With these, come an increasing number of documents that demand our attention and action. A good document/data organization solution is a must have and will make your life much more manageable.

Evernote is among several free solutions that are worth a look-see. According to the CEO Phil Libin, the application has about 80 million users worldwide (including the free and paid versions), and that number is growing daily. This feature-rich program allows the user a range of options from creating simple task lists to creating and tracking intricate project management jobs. Evernote allows cross-platform syncing ability. Imagine the flexibility of being able to use your Smartphone to update your list, take photos to add to your documents, or even capture pictures of documents in the field in lieu of scanning. The user can create notebooks and folders that will expand the organization process. Features include unlimited storage, notebook sharing, image and document search, and image and

PDF annotation. Best of all, it's free. Explore further at www.evernote.com.

OneNote is another notebook styled organizational tool. Microsoft has entered the race to capture the attention of the unorganized masses with its product, OneNote. While similar to Evernote, OneNote has some unique properties. Among these are full integration with Windows, drag and drop capability, easy collaboration, and it allows for reminders. OneNote touts itself to be the best note-taking tool. This product also meets the LBR standard. It's free at www.onenote.com.

Similar programs include Springpad, Google Keep, Simplenote, and NoteSync. All of these apps provide enhanced note-taking capabilities. None are as full featured as Evernote, in my opinion.

Consider using Evernote for note-taking at your next board meeting, logging rules infractions as you tour the property, manage construction timelines for renovation jobs, or monitor your mounting list of to-do's.

Collaboration

The number of collaboration tools on the market today is staggering. In fact collaboration and data storage options seem to go hand-in-hand with several software options. Here are a couple of really attractive solutions. Both are free with purchasable upgrades. The basic free versions will work for most users.

Slack is a relatively new collaboration and messaging tool that your team can employ. It's been described as a chat client on steroids. Your team can share files, pictures, and chat in an open forum, or in private sessions. All communication is archived



Fred Gibbs is a member of the RCM Board of Governors and NAHC vice president.

Creativity is no longer tied to the office, the desk, or any traditional space.

and searchable. These features allow for immediate recall of discussions from weeks ago.

There are downloadable apps for iOS and Android, as well as for Mac and PC. Never be out of touch with your committee or group. Always have access to the work documents, pictures, and other data that your team or committee creates. Slack offers full integration with Dropbox, Google Docs, and many other collaboration solutions. You will find Slack at www.slack.com.

Google is rapidly setting the industry standard for document sharing and collaboration. The suite of office solutions offered by Google is quite impressive. The user can create and share spreadsheets, word processing documents, slide presentations, and much more. This shared information may be stored in the cloud, using Google Drive.

Accessing the shared data is quick and easy and may be done using your computer, tablet, or Smartphone. Printing from the Smartphone or tablet can be done using a service called, Cloud Print. This service can be connected with Google Drive. Everyone in your collaborative group can share and print documents with ease.

Creativity is no longer tied to the office, the desk, or any traditional space. In fact, a portion of this article being written, using a Smartphone and Google Docs. There are no boundaries and no limits to your ability to work at your pace and share the process with your team. Gone are the days of endless commutes and team members' scheduling conflicts.

Google Drive, Docs, Sheets, Forms, Slides, and Mail are a few of the free tools available from Google. Your cooperative can host its non-confidential data on Google Drive and share it with the cooperative members, who may access it at any time. Really slick looking Word-type documents can be generated, using Docs. The worries of losing data because you failed to save your work are gone. Docs saves automatically. Great, right? If you are a spreadsheet junkie, you can create dynamic spreadsheets that store and analyze your data. Create fantastic charts and graphs in minutes. Imagine being able to analyze the number of members who pay carrying charges in the first five days of the month and presenting this during your annual meeting. Just create a document and share the link with other people. Now you can edit the document together at the same time in live-mode.

Data Storage

Cloud storage with sharing capabilities is largely the norm these days. Box, Dropbox, Google Drive, iCloud, Mega, and OneDrive are among a growing list of cloud-based storage solutions. With cloud storage, even the most security conscious users will find it easy to craft a storage solution that meets their needs. Most of these services offer both Android and iOS apps as an added convenience for accessing your data on the go.

Dropbox is used both by individuals and teams who wish to store and share data. The ability to share a file or a folder enables the user to deposit information for future retrieval or use by others. Imagine having all of your board documents in appropriately named folders, shared only with the appropriate parties. Should there be a change in board or committee members, simply change the sharing permission, adding the new party and removing the old one. Fantastic! Board members can access their documents from anywhere in the world. Decisions can be made without the hassle of trying to get everyone into the same room at the same time.

Google Drive offers the ability to assign rights, along with permissions. For example, you may wish to have a member of your group review data but not add to the collection of documents. Google Drive allows you to assign roles that would prohibit anyone from uploading to the shared folder. This ability is really convenient if you are distributing without collaboration. Additionally, there is an app, which may be downloaded to your computer, Android, or iOS device, much like Dropbox, that will enable you to manage your storage and collaboration from anywhere you happen to be.

The cost of doing business is ever increasing. Having free software solutions helps to keep your bottom line healthy without sacrificing quality. Housing cooperatives are no different from any other business on the economic landscape. We must remain competitive to remain relevant. Our members deserve the best. The best doesn't have to break the bank. Happy Computing! **CHB**

Preventing a Hostile Work Environment

By Maesha McNeill

As a housing cooperative with a staff of 40, it is very important to have rules in place to create and maintain a workplace that is free from harassment. At our cooperative we developed an anti-harassment policy for our staff.

Behavior that interferes with operations, discredits the cooperative, and/or offends members should not be tolerated.

Cooperatives should have policies in place regarding employee behavior. These rules and regulations are necessary for the efficient operation of the cooperative and for the benefit of all employees. Employees should be expected to conduct themselves in a professional manner at all times. Behavior that interferes with operations, discredits the cooperative, and/or offends members should not be tolerated. Such conduct also harms morale and interferes with the effectiveness of business.

It is our duty to prevent a hostile work environment which is a form of harassment. Such hostility is demonstrated by severe and pervasive conduct that permeates the work environment and interferes with an employee's ability to perform his or her job (www.blm.gov, 2007). The Equal Employment Opportunity Commission (EEOC) defines harassment as unwelcome conduct that is based on race, color, religion, sex (including pregnancy), national origin, age (40 or older), disability, or genetic information. Harassment becomes unlawful where 1) enduring the offensive conduct becomes a condition of continued employment, or 2) the conduct is severe or pervasive enough to create a work environment that a reasonable person would consider intimidating, **hostile**, or abusive. Anti-discrimination laws also prohibit harassment against individuals in retaliation for filing a discrimination charge, testifying, or participating in any way in an investigation, proceeding, or lawsuit under these laws, or opposing employment practices that they reasonably believe discriminate against individuals, in violation of these laws (www.eeoc.gov, 2015).

Employers should consider the following steps to prevent a hostile work environment and decrease



the risk of a harassment lawsuit:

- Implement an effective policy that is visible for all to see. The policy should define exactly what constitutes a hostile work environment, including unlawful harassment, management's response to complaints, the investigation process, and finally corrective action. Most importantly, it should be made clear that retaliation against any complainant will not be tolerated.

- It is management's responsibility to provide adequate harassment prevention training for all employees and members. This training should be done during the new hire and new members' orientation with annual reminders/updates thereafter.

- Establish a reporting mechanism for complaints. The complaint process should be outlined in the policy. There should be a designated individual or department to handle complaints, e.g., human resources department or the general manager, and a safety valve for the cooperative president when the complaint is about the general manager. All complaints should be treated as confidential to the extent possible.

- Take immediate action to investigate and address complaints. The EEOC provides time limits for filing and responding to charges of harassment. Management should adhere to time limits as well when responding to complaints. Investigate complaints thoroughly.

Remember it is the responsibility of the employer to take immediate action to remedy a hostile work environment. While this does not prevent an employee from filing a formal complaint with the EEOC, following the above process does place the company in a favorable position when responding to the EEOC. [CHB](#)



Maesha McNeill is the human resources manager at Greenbelt Homes, Inc. located in Greenbelt, Md.

US Unions Build Housing Cooperatives

By David J. Thompson

In the Borough of the Bronx in New York City stands a proud pioneering housing cooperative affectionately known as the Amalgamated. Sponsored in 1927 by the Amalgamated Clothing Workers of America (ACWA), Amalgamated was the first limited equity housing cooperative in the USA and one of the first cooperatives directly sponsored by a union. The Amalgamated has 1,482 apartments.

These union-sponsored housing cooperatives provided homeownership to many low income and multiethnic and multiracial families.

In the 1930s, ACWA sponsored another cooperative, Amalgamated Dwellings (230 apartments), to serve its members on the lower east side of Manhattan. ACWA went on to sponsor a third cooperative, adjacent to Amalgamated Dwellings, Hillman Houses (807 apartments). The union broke ground in 1949 and dedicated the building to Sidney Hillman, the founder and first president of the ACWA.

With the commitment of union leader Sidney Hillman and the skills of cooperative housing leader Abraham Kazan, new ground was ploughed for cooperatives to meet the housing needs of working people. However, the ACWA's greatest achievement is its early influence on other unions to sponsor housing cooperatives.

In 1951 seeing an opportunity to spur cooperative housing, a number of NYC unions created the United Housing Foundation (UHF). UHF exploded onto the NYC housing scene, and in 15 years, UHF developed 23 cooperative housing developments with almost 35,000 cooperative apartments for over 100,000 New Yorkers. The UHF boom era came to an end in 1970s with the problems associated with Co-op City (15,372 apartments), high inflation and interest rates which would have put apartments out of reach of UHF's constituency, voter revolt against massive urban renewal projects, and reductions in government financing opportunities.

No matter, these union-sponsored-housing cooperatives were one of the few housing models that provided a low-cost first step into homeownership and gave low and moderate income union households access to tax deductions just like all American homeowners. These union-sponsored housing cooperatives provided homeownership to many low income and multiethnic and multiracial families who without the cooperative opportunity



The Amalgamated with 1,482 apartments is located in New York City.

would have been left out of the American Dream.

Aside from the cooperative units sponsored under the umbrella of the UHF, here are some of the other housing cooperatives sponsored directly by individual unions:

- ▶ The Amalgamated Meat Cutters and Butcher Workmen sponsored Concourse Village also in the Bronx. The cooperative community of 1,883 apartments was completed in 1965.
- ▶ The International Typographical Union (ITU), Local 6, in NYC developed the Big Six Towers in 1961. Located in Queens, there are 983 apartments. Approximately one-third of the residents are active or retired union members.
- ▶ The International Brotherhood of Electrical Workers (IBEW), Local 3, sponsored Electchester also in Queens. To serve over 5,500 people, there are 2,500 units in 38 buildings. The union leaders worked with the Joint Industry Board of the Electrical Industry to purchase 103 acres. In 1949 they began building the housing cooperative. Even today, one third of the apartments are lived in



David J. Thompson is president of the Twin Pines Cooperative Foundation (www.community.coop). First with NCB and then with his partner Luke Watkins at Neighborhood Partners, LLC, (www.npllc.org), Thompson has spurred the development of over 3,000 units of cooperative and non-profit housing.

Continued on page 14 >

by members having a relationship to the union. Harry Van Arsdale, the union president, lived at Electchester until his death.

► The International Ladies Garment Workers Union (ILGWU) sponsored the Penn South Co-op in Manhattan. At its dedication in 1962, President John F. Kennedy joined David Dubinsky, President International Ladies' Garment Workers (ILGW); Abraham Kazan, Pres. of United Housing Foundation; Nelson Rockefeller, NY Governor; George Meany, Pres. AFL-CIO; and Robert F. Wagner, NYC Mayor; in proudly lauding the role of unions in providing affordable housing to their members. What a day that was for union sponsored housing co-ops. Penn South provided 2,820 apartments for working class families. A. Philip Randolph and Bayard Rustin, two Presidential Medal of Freedom winners, lived in and died at Penn South. Plans for the 1963 March on Washington began in Rustin's Penn South Co-op apartment.

► 1199 Plaza in Manhattan was sponsored by District 1199 of the Drug and Hospital Workers Union (now 1199SEIU United Healthcare Workers East). Dedicated by NYC Mayor Abe Beame in 1974, 1199 Plaza's 1,594 apartments were a welcome opportunity for the mainly low-income union members to obtain a home in East Harlem. There are four buildings each with a 32 floor tower overlooking the East River.

► The United Auto Workers Union (UAW) sponsored Cooperative Homesteads in Detroit, Mich. in the 1930s with Frank Lloyd Wright as the architect. Due to the impact of WW II, Cooperative Homesteads was never built. After the war, the UAW sponsored a number of housing cooperatives such as Walnut Grove Mutual (247 homes) in South Bend, Ind.

► When Ford Motor Company transferred its Richmond plant to Milpitas, Calif., in the 1950s, the

UAW needed to secure housing for black workers in Milpitas' all white neighborhoods. Ben Gross, a UAW leader, pursued a site close to the new plant for five interracial cooperatives that built 609 homes beginning in 1955. Various unsuccessful efforts were attempted to sabotage the interracial community.

However, the union stood by the cooperative which they called Sunnyhills. When he visited the USA in 1959, Soviet Premier Nikita Khrushchev challenged President Dwight Eisenhower to let him see an interracial community in the US. During Khrushchev's tour of the Bay Area in September, a clandestine visit was arranged with Ben Gross. Gross took great pride in showing the Russian Premier the interracial cooperative community Gross had worked so hard to bring about. When elected in 1966, Gross was the first African-American to be mayor of a large American city.

St Francis Square in San Francisco was sponsored by the International Longshore and Warehouse Union (ILWU) with the support of the Pacific Maritime Association (PMA). Opened in 1964, the 299 apartment housing cooperative was part of the redevelopment of the Western Addition of the city. Since 1964, St Francis Square has been one of the lowest entry level homeownership opportunities in the city of San Francisco. Feminist writer Tillie Olsen and the acclaimed author Alice Walker were both long-term residents of the cooperative.

In 1984, the ILWU/PMA came forward to sponsor development of Amancio Ergina Village, also in the Western Addition. The ILWU/PMA brought in the John Stewart Company, the City of San Francisco, and National Cooperative Bank (NCB) to develop and fund the 72 unit cooperative. Amancio Ergina Village was one of the few homeownership opportunities in the last thirty years in San Francisco set aside for moderate-income families. Regretfully, there have been no other new housing cooperatives directly sponsored by a union since that time.

However, union involvement in cooperative housing continues today but only in the refinancing of existing union sponsored housing cooperatives or the financing of new nonunion sponsored housing cooperatives for seniors. This important work is exemplified by the AFL-CIO Housing Investment Trust (HIT). Established in 1965, the HIT manages about \$5 billion in assets for investors which include union and public employee pension plans.

Over the past 15 years, HIT has helped to preserve the affordability of more than 12,660 cooperative housing units at a number of New

St. Francis Square is a 299-unit apartment housing cooperative in San Francisco.



York City cooperatives by investing over \$400 million of union pension capital. In the Midwest, HIT has provided over \$71 million in financing for construction of over 600 units at 10 new cooperative housing developments, most of which are targeted to seniors. In 2012, NAHC recognized HIT with its first ever Award for Development and Preservation of Co-op Housing.

The housing cooperative organizations in NYC in particular were strong boosters of the efforts to get congressional approval of NCB. A number of housing cooperative leaders from NYC have been elected as board members of NCB. NCB's very active NYC office plays many roles in the financing of housing cooperatives in the region. Chuck Snyder, president of NCB, has led the efforts to meet the financing needs of housing cooperatives in the New York area.

One author, Peter Eisenstadt, recently wrote about the massive foreclosures in the Queens borough but noted, "One large area, Rochdale Village has none ... What makes Rochdale different is that it is a limited equity cooperative."

Eisenstadt concludes that as the US lost \$14 trillion of net worth in the housing bust since 2007, "We need to reconsider the alternatives to the speculative housing market such as limited equity cooperatives." Rochdale Village was a union-sponsored cooperative built through UHF. Queens is the epicenter of foreclosures in NYC.

The real estate debacle destroyed homeownership and the bank accounts of millions of Americans. Millions of people would have been far better off joining limited equity housing cooperatives. Unions, religious institutions, and other groups should revive their sponsorship of

housing cooperatives for their members and the public.

In doing so, they could turn to NCB and AFL/CIO - HIT to build stable, rather than speculative, housing. Now is the time for union, organizational and religious leaders to usher in a new era of limited equity housing cooperatives. There are few better ways to increase the standard of living of working people and to build wealth than to get them into cooperative housing. **CHB**

NY Abatement Extended for Four Years

On Thursday, June 25, 2015, the State Senate and Assembly and Governor Cuomo came to agreements on rent regulation and the 421a incentive program for developers. With these issues finally settled, a four-year extension of the property tax abatement program for home owners in New York City cooperatives and condominiums was included in the legislation passed by both houses that evening.

Thanks to the Department of Finance, this extender is seamless because it was included on our property tax bills for the new fiscal year which began on July 1, saving condominium unit owners and cooperative corporations from confusion and cash flow problems.

On Friday morning, June 26, 2015 Governor Cuomo signed this legislation into law, continuing the abatement program in its present form through June 30, 2019.



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Learning Opportunities Abound for Members at the 2015 Annual Conference

At the 55th annual conference of the National Association of Housing Cooperatives (NAHC) from Wednesday, October 14, through Saturday, October 17, 2015, members will have the opportunity to become or recertify as registered cooperative managers (RCMs). Cooperators will be able to choose courses from six tracks, attend a sunset reception and award and Strut Your Stuff luncheons, visit exhibitors, and tour the Hilton Head Island, S.C. area.

Cooperators will be able to choose courses from six tracks ...

In addition, NAHC will be introducing the RCM recertification webinar that members can take on-line.

Prior to the conference (Monday, October 12, and Tuesday, October 13), members interested in becoming RCMs will study for the certification exam, which will allow participants the opportunity to obtain their RCM recertification. To maintain their status, RCMs are required to take the ethics class once every three years. The recertification class will convene on October 13, beginning at 1:00 p.m. Details appear in the conference registration package. NAHC also offers RCM training annually in the spring. In addition, NAHC will be introducing the recertification webinar that members can take online.

The six tracks and some of the courses available to members are:

- ▶ Financial Considerations for Cooperative — Courses include: “Crowd Funding – “Discussion of Financing for New Cooperatives,” “Financing for Unit Owners and the Cooperative,” and “Where the Money IS;”

- ▶ Cooperative Governance Issues — Members can choose from: “New Board Member Training,” “No Man Left Behind,” and “You Really Want It?”

- ▶ Cooperative Planning and Marketing — Participants can attend: “Marketing to the Millennials,” “Getting the Most of your Marketing Dollars,” and “Asset Management/Green Infrastructure.”

- ▶ Improving your Operations — Attendees can participate in: “Dealing with Difficult People,” “Managing your Rehabilitation Projects,” and “How to Manage your Property Manager.”

- ▶ Legal and Legislative Issues — Conference goers can receive a “HUD Update” and learn about “Development Promotion” and “Working with State and Elected Officials.”

- ▶ RCM issues — Managers can listen to a “RCM Program Overview,” get an update on “Legal Issues” and “Fair Housing,” and experience the “RCM Round Table.”

In other highlights, members will enjoy the ocean view during the opening sunset reception on October 14. Members will “strut” their stuff in their cooperative t-shirts and hats and participate in a dance contest during the Strut Your Stuff luncheon on Thursday, October 15. On Friday, October 16, NAHC will present its award lunch, thanks to NCB, by granting the Voohris Award, the Cooperative Star Award, the Distinguished Member Award, the President's Award, RCM certificates and pins, along with a few special awards.

In addition, exhibitors will distribute products, trinkets, and information regarding the services they offer cooperatives, beginning on Thursday, October 15 at 8:30 a.m. and continuing through Friday, October 16.

The following tours will be available at a below average cost. Book early to be able to attend the desired tours:

- ▶ Historic Savannah Tour, running six and ½ hours, will start with a bus ride to Savannah and through the city. The tour does not include lunch, so the participants will have three hours to have lunch and see the city (antiques, art Galleries, and architecture) on their own. (10/14/2015 from 9:00 a.m. – 3:30 p.m.)

- ▶ The Bluffton Experience Tour, running six hours, will cover the South Carolina Low County. The tour will start with a cruise along the May River with a visit to the historic town of Bluffton. (10/14/2015 from 10:00 am – 4:00 pm)

- ▶ The Daufuskie Island History and Artisans Tour, running five and ½ hours, begins with a motor coach ride to the boat docks for an interpretive boat cruise down Broad Creek through the Backwater Marshes and across Calibogue Sound to Daufuskie. The tour will include visits to two artisan's studios, the Silver Dew Pottery and many other historic artifacts. (10/14/2015 from 11:30 a.m. – 5:00 p.m. and 10/17/2015 1:00 – 6:30 p.m.)

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► The Dolphin Eco Tour is a three-hour tour of South Carolina Low Country on a cruise, departing from Shelter Cove Marina for an exploration of Broad Creek and surrounding waterways in a search for wildlife including local and migratory dolphin populations. (10/14/2015 from 1:00 – 4:00 p.m.)

► The Tanger Outlet Shopping Tour will include two separate outlet malls. The motor coach will provide transportation between the hotel and Outlet 1 and Outlet 2 and can also be used for storage of shopping bags. The total time allows for eight hours of shopping. (10/17/2015 from 12:30 – 8:30 p.m.)

► Gullah Heritage Tour will include the history of the Gullah Culture that is native to the South Carolina Low Country. The Gullahs are descendants of West African slaves and worked in the rice and cotton field before they were freed. Because the Gullahs lived in isolation for generations, they maintained their African culture longer than any other slave descendants in the Americas. The narrated tour will take members down hidden paths of Hilton Head Island to visit 10- family based villages to hear their stories. (10/17/2015 from 1:30 – 3:30 p.m.)

Members with questions about the tours should contact either Linda Brockway, chairperson, Member Services Committee at

ljbecho@aol.com or Hope Turner, co-chairperson, at hturner627@hotmail.com.

If members want to go on their own adventures, there are a variety of additional tours, including the Paradise Parasailing Ride, and Page Island Country Boil and the Barbeque event. Attendees may also want to enjoy the beaches, golfing, sport fishing, kayaking or a catamaran sunset sail. **CHB**

NAHC will be staying at the Westin Hilton Head Resort and Spa, which is located on the Hilton Head beach. The guest rooms have been reserved at a discounted rate of \$179 per night for single or double occupancy. This rate will be available through September 23, 2015 or until sold out. Rooms go fast, so members may want to reserve their room as soon as possible. Please call 1-843-681-4000 or make reservations online at <https://www.starwoodmeeting.com/events/start.action?id=1501020095&key=240EC0BC>.

REPORT FROM WASHINGTON

Progress on Disaster Relief for Housing Cooperatives

IN THE AFTERMATH OF SUPER STORM SANDY, housing cooperatives found themselves declared ineligible for disaster relief. One of NAHC's government relations priorities has been to insert fairness in action and decisions of the Federal Emergency Management Agency (FEMA) as they pertain to assistance for debris removal and home repairs.

On April 15th, Rep. Steve Israel (D-NY) and Rep. Jerry Nadler (D-NY) successfully amended H.R. 1471, the FEMA Disaster Assistance Reform Act of 2015, to help housing cooperatives receive federal disaster benefits. The amendment, made during a House Transportation and Infrastructure Committee meeting on H.R. 1471, directs FEMA to develop policy solutions so cooperative shareholders are able to use assistance to repair storm damage to common areas.



Rep. Steve Israel



Rep. Jerry Nadler

The law authorizing federal disaster relief, called the Stafford Act, does not include a definition of housing cooperatives. This ambiguity has led to significant confusion about the eligibility for assistance and made it nearly impossible for residents of cooperatives to make the common areas of their buildings habitable or to repair living quarters. Restrictive interpretations by FEMA paint cooperatives as for-profit commercial rental buildings.

The amendment gives FEMA one year to report back to Congress on policy changes that would allow FEMA to provide technical assistance to cooperatives on how they may be eligible to receive reimbursement from FEMA or another grantee for cleanup work in the aftermath of disasters. FEMA is also to report on how cooperatives or shareholders can access programs for home repairs, just as any other homeowner. NAHC asks members to contact their representative and ask for their support. **CHB**

California Association of Housing Cooperatives (CAHC)

THE CAHC will address REAC inspections, fair housing rules, post-purchase education, and NAHC benefit cards at a town hall meeting on July 25 with the Mayor's Office and the San Francisco Community Land Trust. NAHC President Gregory Carlson and Treasurer Linda Brockway are the invited guests for the meeting that will be held at the African American Arts and Cultural Complex.

In a related note, both CAHC and the San Francisco Community Land Trust are seeking a consultant to conduct outreach marketing services for education and technical assistance programs.

The Council of New York Cooperatives & Condominiums (CNYC)

THANK YOU TO ALL the cooperators who helped secure legislation to preserve the property tax abatement program! See the announcement for details on page 15.

CNYC is putting together the class roster for its 35th Annual Housing Conference on Sunday, November 15th, at Baruch College in Manhattan. All NAHC members are welcome to register and pay the modest member rates. The conference brochure will be posted on the CNYC website (www.CNYC.coop) by midsummer.

Midwest Association of Housing Cooperatives (MAHC)

NEARLY 50 COOPERATIVES attended the MAHC conference where close to 200 participants chose from 28 to 32 classes, thanks to 28 instructors, April 11–16, on the high seas between Fort Lauderdale, Mexico, and Belize.

During the awards ceremony the following were honored:

- ▶ David (Rudy) Rudicil of Colonial Square in Ann Harbor, Mich., received the Bill Magee Spirit Award in recognition for promoting and consistently displaying dedication and commitment to the preservation of the cooperative housing movement and to MAHC;
- ▶ Christine Johnson Nieves of Noble Square in Chicago, Ill., the A. Morley Presidents Gavel Award for being an outstanding cooperative board president;
- ▶ Oakdale Resident Cooperative in Ferndale, Mich., the Solidarity Award for the fellowship and common responsibility that a board projects on behalf of its membership to seek and share knowledge;
- ▶ Larry Redmond of Walton Park in Pontiac, Mich., the Dr. Herman E. Curtis Co-oper of the Year Award for outstanding service to his home cooperative; and
- ▶ Dale Janke of Cumberland Green in St. Charles, Ill., the Almeda Ritter Award for devotion and contributions to the cooperative housing community.

CSI Support & Development

CSI SUPPORT & DEVELOPMENT has modified the loans on 16 of its cooperatives in Michigan and California to lower the mortgage interest rate and ultimately the amount of debt service that each cooperative would pay. CSI closed on \$94,518,379 in mortgages in the last year, and the loan modifications enabled these cooperatives to realize \$1,188,556 in annual debt service savings. These astonishing numbers are indicative of CSI's commitment to the long-term physical and financial stability of its co-ops.

HUD's RAD program allows units of public housing agencies and qualified HUD-assisted properties that currently do not have subsidies to convert these units to project-based Section 8 units. In December, CSI's Lexington Terrace Co-op in Maryland applied to this program. CSI hopes to receive HUD approval soon.

CSI's national development manager, Diane Smith, has joined executives from other affordable housing non-profits in the Detroit area to form the Detroit Senior Preservation Coalition. The coalition's purpose is to preserve affordable senior housing that appears at risk due to the reinvestment that has been occurring in Detroit over the past couple of years.

The CSI education department is preparing for the annual management conferences. This year the conference theme is "Planting the Seeds of Growth, Celebrating 70 Years of Cooperation." The management conferences are opportunities for both new and experienced cooperative volunteers to gain knowledge and skills to assist in the daily management of their cooperatives. Contact national education manager, Karen Braunscheidel (karen.braunscheidel@csi.coop) for more information on the regional management conferences:

- ▶ Massachusetts Region: August 4-6 @ Double Tree Hilton, Leominster;
- ▶ Maryland Region: August 11-13 @ Lowes Annapolis Hotel, Annapolis;
- ▶ California Region: August 18-20 @ Pacific Palms Hotel, City of Industry;
- ▶ Michigan Region: August 26-28 @ The Henry, Dearborn.



JULY

- 25** CAHC Town Hall meeting; African American Arts and Cultural Complex, San Francisco, California

AUGUST

- 4-6** CSI Massachusetts Management Conference; Doubletree Hilton, Leominster, Massachusetts
- 11-13** CSI Maryland Management Conference; Loews, Annapolis, Maryland
- 18-20** CSI California Management Conference; Pacific Palms Resort, City of Industry, California
- 26-28** CSI Michigan Management Conference; The Henry, Dearborn, Michigan

SEPTEMBER

- 24** CSI Annual Meeting; Location to be determined

OCTOBER is Co-op Month

- 12** RCM Training; Westin Hotel, Hilton Head Island, South Carolina
- 13** RCM Ethical Practices Recertification; Westin Hotel, Hilton Head Island, South Carolina
- 14-17** NAHC 55th Annual Conference; Westin Hotel, Hilton Head Island, South Carolina

NOVEMBER

- 7** PAHC Fall Training; Pickwick Square Mutual Homes, District Heights, Maryland
- 15** CNYC's 34th Annual Housing Conference; Baruch College's Newman Vertical Campus, Manhattan, New York

DECEMBER

- 15** CSI 70th Birthday

New Jersey Federation of Housing Cooperatives

AT THE NEW JERSEY FEDERATION OF HOUSING COOPERATIVE'S

May 2, 2015 meeting, CPA Charon Montayne, the financial advisor for High Park Gardens Cooperative, facilitated a workshop titled, "Make Sure your Broker is Searching for the Best Price on the Market for all of your Insurance Coverage." It also included a roundtable discussion where each cooperative was able to share positive tips, helpful ideas, and address concerns relating to cooperative living.

Potomac Association of Housing Cooperatives (PAHC)

MORE THAN 100 PARTICIPANTS representing 13 cooperatives took part in PAHC's Annual Conference in Ocean City, Md. on April 23-25 President Annie Hill welcomed the participants and introduced PAHC Board of Directors, followed by "Strut Your Stuff" cooperative pride; this was an invigorating start to a day of training. Gregory Carlson, President of NAHC, was the keynote speaker. The afternoon sessions focused on mortgage payoff and refinancing.

At the Annual Membership meeting, the membership nominated by acclamation, Ruthie Wilder, Reservoir Hill Mutual Homes, Baltimore, Md.; Myrine Buford, Reservoir Hill Mutual Homes, Baltimore; and Rhonda Dozier, Capital View Mutual Homes, Hyattsville, Md. During the subsequent PAHC board meeting, a member made a motion that positions on the board remain as is: President Anne Hill, Vice President Myrine E. Buford, Secretary Melinda Rickey, Treasurer William Brawner, Assistant Secretary Maxine Lyons, Assistant Treasurer Ruthie Wilder; members at large, Geraldine McDaniels, Maxine Dennis, and Rhonda Dozier. The board also welcomed its newest member Rhonda Dozier.

PAHC presented several awards: Art Vespignani Nationwide Insurance, "President's Award"; Maxine Dennis, Yorkville Cooperative, "Cooperator of the Year"; Benning Road Cooperative, "Cooperative of the Year"; Patty Wilson, "Volunteer"; James "Jim" Brown, retiree; Peter Behringer, TCG Development Advisors, LLC; and Mildred Armstead, Washington Hill Mutual Homes, all founding members of PAHC, received the "Lifetime Achievement Award." Clarence Robinson and Myrine Buford, the other PAHC original founders, received awards in 2012 and 2014, respectively. The conference ended with a dinner and dance. Because this year's event theme was "Bringing Back the 70s" participants showed off an array of 70s outfits.

PAHC is grateful to conference organizer, Melinda Rickey, PAHC board members and to all the presenters. They were John Siegel, Advance Landscaping for Hammer vs Ax "Maintenance Overhaul"; Derek Challenger, Derek Challenger Law Office, LLC, Is It the Driver or Pedestrian Error? "Diversity: Board vs Member's Rights"; Linda Brockway, NAHC treasurer and Member Services Chair, Run-Away Train, "Disruptive Board Members & Conflict Resolution"; Rey Sison, NMI Property Management, Show Room or Junk Yard, "Property and Capital Improvements"; Michael Diamond, Harrison Institute/GWU, and Gregory Carlson, NAHC president, keynote speaker. PAHC is committed to excellence; the programs are designed based on comments provided by participants on the evaluation forms. For the last three years, the overall rating for the conference has been an average of 4.8 out of 5. PAHC 2015 Fall Training will be held November 7, 2015, at Pickwick Square Mutual Homes, District Heights, Md. [CHB](#)

New England Cooperatives Provides Affordable Housing

THE RESIDENTS OF WARDTOWN MOBILE HOME PARK in Freeport, Maine have become the 6th Resident Owned Community in the state. Residents of the community worked for nine months with assistance from the Cooperative Development Institute. Genesis Community Loan Fund and the Maine State Housing Authority provided financing for the purchase and infrastructure improvements for the 60-unit co-op.



Wardtown Mobile Home Park is a community of 60 spacious mobile home sites in rural Freeport.

AARP Lends a Hand to Manufactured Home Communities

THE AARP FOUNDATION is supporting ROC USA through \$2.5 million in program related investments (PRI). The PRI is a loan that has both interest payments due and return of principal at the end of the term. ROC USA uses these loans to its capital's balance sheet to help residents buy their manufactured-home communities, or "mobile home parks," from private community owners and convert them to cooperative ownership. ROC USA can loan money to the residents because of its subordinate position in each loan to leverage senior position capital from banks and housing finance agencies. Sometimes the "loan" is forgiven after a period of time.

Cooperative Development Center Helps Affiliate Earn an Award

COMMUNITY AND SHELTER ASSISTANCE CORPORATION (CASA of Oregon) was awarded the National Community Reinvestment Coalition's (NCRC) Representative James Leach award. The award recognizes the most outstanding rural non-profit organization that best promotes fair and equal access to credit and capital and/or contributes the most in its community toward promoting wealth building in traditionally under-served populations.

Since its inception in 1988, CASA of Oregon has developed 30 multifamily housing projects totaling 879 units of new housing for agriculture workers and other low-wage workers and their families with more than 108 units of housing currently

under development. The organization has preserved 1,593 units with another 117 units in the pipeline. CASA's Manufactured Housing Cooperative Development Center has converted seven manufactured home communities representing 431 households to cooperative ownership. Another 110 households are in the process of converting to cooperative ownership.

Sacramento Mutual Opens Zero-net Energy Development for Farm Workers

MUTUAL HOUSING CALIFORNIA, a Sacramento-based nonprofit, recently opened Spring Hill, as a zero-net energy community for farm workers and their families. In Yolo County, more than 5,000 agricultural workers in fields, packing houses and processing plants need housing.

The development has 62 apartments and townhomes set aside for families earning between 30 and 50 percent of the area median income. USDA rental subsidies will be available to make the housing affordable.

The development also will be one of the first zero-net energy communities in Northern California for agricultural workers and their families. With zero-net energy, the community is expected to produce as much energy as it uses, employing solar energy systems for the residential and common areas, including staff offices and laundry rooms as well as community rooms for financial education, leadership training and other workshops. A water-based heating and air-cooling system and the hot water heaters also run on solar electricity.

Mutual Housing and local partners will coordinate and offer English as a Second Language, financial education, home-buyer preparation and college planning workshops at the community center. The organization also does leadership development and mentoring for youth and adults.

Citibank, NeighborWorks Capital and Wells Fargo are lenders for the Woodland project. Additional funding came from NeighborWorks America and 12 other sources ranging from federal, local and state government to a Native American community fund, a health care organization, a large employment agency and five other banks.

Founded in 1988, Mutual Housing California develops, operates and advocates for sustainable affordable housing. Mutual Housing has more than 3,000 residents, nearly half of whom are children. [CHB](#)



The development at Spring Lake is the first multifamily community to be certified under the DOE Zero Energy Ready Home program.