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October 15 – 18, 2014

COOPERATIVE HOUSING
BULLETIN

A member service of the National Association of Housing Cooperatives Fall 2014

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NAHC

Thurgood Marshall's Civil Rights Advocacy Leads the Way to Inter-Racial Cooperative Membership for His Family and Other Minorities

By David J. Thompson

Editor's Note: Part 1 of this article ran in the summer issue of the Cooperative Housing Bulletin. David J. Thompson is writing a book about The Role of Cooperatives in the Civil Rights Movement. This article is excerpted from a chapter about Thurgood Marshall and cooperatives.

PHOTO COURTESY OF LIBRARY OF CONGRESS

Thurgood Marshall with his wife, Cecilia, and their two children, Thurgood, Jr. and John. This photo was taken in their Morningside Co-op apartment.

ON DECEMBER 1, 1955, ROSA PARKS (Montgomery's NAACP chapter secretary) remained seated on a Montgomery bus, and the NAACP was once again appealed to for help. Marshall, who was to be married December 17 of that year, asked Robert Carter in his office to take on the Montgomery case. Since the death of his first wife, Marshall had fallen in love with Cecilia (Cissy) Suyat, a secretary of Hawaiian and Filipino descent, who worked at the NAACP headquarters.

During all of his years in New York City, Marshall had rented an apartment. Because of restrictive racial covenants in New York City, it was almost impossible for blacks to buy homes even if they had the money. Marshall was now in an even more difficult predicament. The covenants were even stricter about inter-racial couples and had anticipated a black and white couple. In this case, the Marshalls were an inter-racial black and Asian-Hawaiian couple. Home ownership in New York City was almost impossible for them.

About that time, Morningside Gardens was developed as a limited-equity housing cooperative on the upper west side. It was one of the earliest owner-occupied inter-racial housing cooperatives in Manhattan. It played a role in initiating the creation of the Mitchell Lama Law, which led to the development of many similar housing cooperatives throughout New York City. Being close to Columbia University, Barnard College, and numerous other academic and theological institutions, Morningside Gardens was a welcome affordable housing addition to the Morningside Heights neighborhood. The intent of the initial board of directors, led by Columbia President Grayson Kirk and the philanthropist David Rockefeller, was to create an inter-racial, middle-class multi-family community as a model for others in New York City.

When Morningside Gardens opened in 1957, the racial make-up of the cooperative members was 75 percent white, 20 percent black, 4 percent Asian, and 1 percent Puerto Rican. As a model of inter-racial housing, it was thought at the time that the percentage of blacks and Puerto Ricans should be no more than 25%. But most importantly for the Marshalls, Morningside Gardens was open to inter-racial couples.

In fact, the Morningside Gardens' cooperative organizers recruited the Marshalls to become members of the cooperative knowing of their inability to get home ownership in any other way in Manhattan. The Marshalls moved into Morningside Gardens in the spring of 1958. They were the first occupants of the new apartment. By the end of 1958, every one of the cooperative's 980 apartments was occupied.

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NAHC
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 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.

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 & Development Services
FNYHC	Federation of New York Housing Cooperatives & Condominiums
MAHC	Midwest Association of Housing Cooperatives
NJFHC	New Jersey Federation of Housing Cooperatives
PAHC	Potomac Association of Housing Cooperatives

NAHC Principal Committees and Chairs

Ad Hoc National Cooperative Share Listing Committee – Karen Harvey
Ad Hoc Share Loan Committee – Ruthie Wilder
Audit Committee – Barbara Loatman
Communications Committee (includes Publications and the NAHC website) – Gregory Carlson and Fred Gibbs
Contract Review Committee – Hope Turner
Credentials Committee – Mark Shernicoff
Executive Committee – Gregory Carlson
Development & Preservation Committee – Stephen Sarine
Finance Committee – Linda Brockway
Governance and Strategic Planning Committee – Ralph Marcus and Mark Shernicoff
Government Relations Committee – Mary Ann Rothman
Membership Services Committee – Linda Brockway
Mutual Marketing and Advocacy Committee – Anne Hill

RCM Board of Governors – Gregory Carlson

For addresses of all associations and committees, please go to NAHC's website at www.NAHC.com.

About Bostrom

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

NAHC Is Powerful with Partnerships, Making New Member Services Possible

Gregory Carlson is NAHC president and is the executive director of the Federation of New York Housing Cooperatives and Condominiums and president of Carlson Realty.

THE NATIONAL ASSOCIATION OF HOUSING COOPERATIVES (NAHC) has a budget of a half million dollars. Similar housing organizations have five, 10, or many more times the funds so that they have the resources to do more. This is the reason NAHC is happy to partner with organizations with similar goals because NAHC realizes tremendous benefits as it taps the resources of partner organizations.

For instance, NAHC conducts talks with the National Cooperative Business Association (NCBA), the National Cooperative Bank, and the North American Students of Cooperation (NASCO). At the last NAHC Board meeting, Corrigan Nadon-Nichols of NASCO addressed the Board. NAHC also has reciprocal memberships with NASCO and the National Housing Conference. One of the legislative goals of NAHC is reverse mortgages. In early June, Judy Sullivan, NAHC senior policy specialist, and I met with AARP (The largest not-for profit organization in the country with 3,000 employees) to discuss reverse mortgages. This meeting would not have come about if it were not for the Consumer Federation of America (CFA), NAHC's newest partner. CFA is a policy organization; this is what NAHC has been striving to do, make policy for housing cooperatives. All of the organizations I've just mentioned belong to CFA and have a seat on the Board. NAHC could sit on the CFA Board and more if it were to bring CFA the support of housing cooperatives all across the nation. At the very least, every one of NAHC's member associations should join CFA. The fee is small – just $100 a year. Do it for NAHC!

NAHC lives in the outside world. To properly relate to this world, NAHC has recently spent a lot of its precious resources (money) to establish a working data base and to launch a new information-packed user-friendly web site. Data is the key for any successful organization. Collecting such data lets NAHC identify its cooperatives. NAHC needs all of its members to complete their profile. All members whether they are a member association, NAHC member, or otherwise must fill out their profile. Member associations should encourage its NAHC members to do the same. By fulfilling this task, NAHC captures members' cooperative type, but most importantly, it records board members' emails. With these emails, NAHC could spread its messaging to more people and increase the CHB circulation multifold.

NAHC is a unique association. As most other associations are made up of professionals, NAHC members are the grassroots. Whereas other organizations have to rely on their member professionals to reach the grassroots to get the word out, NAHC omits this step because again its members are the grassroots. That is why it is so important to complete the cooperative profile.

Finally, NAHC's new member service program is cooperative insurance. Wells Fargo has put together a marketing plan to be distributed to NAHC's membership. I urge NAHC board members to be the leaders in using this new member service. Another participating organization added $40,000 to its revenue stream from fees derived from the Wells Fargo program. NAHC could do the same. Please participate.

Cooperatively yours,
Greg Carlson, President

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HUD Stops Process to Implement Law for HECMs for Cooperative Members; NAHC Speaks Out

Editors Note: On August 31, 2014, the New York Times reported that a HUD official said that HUD had discontinued its effort to make home equity conversion loans available to seniors living in cooperatives. Below is NAHC's response.

ON BEHALF OF THE NATIONAL ASSOCIATION OF HOUSING COOPERATIVES (NAHC), I would like to thank the *New York Times* for reporting on an issue of great importance to not only New York senior housing cooperators but to all senior housing cooperative members nationwide.

Day after day, NAHC receives phone calls from distressed housing cooperative senior homeowners wishing to use home equity conversion mortgages (HECMs) to support themselves.

Unfortunately, today, all senior homeowners, **except seniors in cooperatives**, have the ability to use HECMs to cover medical emergencies, family calamities and other necessary emergency expenses, or simply to be able to live on in the cooperatives that are their homes in the neighborhoods where they have friends and where their doctors and religious institutions are familiar and near. With over one million housing cooperative units in the United States, thousands of these home owners are negatively impacted by not being able to access HECMs.

In August 2008, the Department of Housing and Urban Development (HUD) issued a Notice of Proposed Rulemaking (NOPR) to expand the HECM program to cover approved cooperative housing developments. The rule would implement an amendment to the 2000 National Housing Act that authorizes HUD to insure HECM mortgages in cooperative housing developments. In the NOPR, the Department indicated its view that expanding this program to include housing cooperatives "would contribute to the effort to broaden reverse mortgage financing opportunities for elderly homeowners."

Fourteen years after the law was enacted authorizing reverse mortgages in housing cooperatives, HUD still has not issued the guidelines needed to implement the program to allow housing cooperative seniors to access home equity conversion mortgages.

In today's housing market, removing housing cooperative HECMs from the "back burner"—would be invaluable to the economic and physical health of older Americans struggling to stay afloat in this economy.

On behalf of our senior members, NAHC urges HUD to issue the HECM guidelines to give our housing cooperative seniors the same opportunity to access HECMs as all other forms of home ownership.

Greg Carlson, President
National Association of Housing Cooperatives
1441 I Street, NW, Suite 700
Washington, DC 20005

FHA Cooperative Refinancing, Revised FHA Loan Documents

HUD published a final rule in the July 21 Federal Register enabling existing multifamily cooperative project owners to obtain FHA mortgage insurance in refinancing existing debt under Section 223(f) of the National Housing Act. The regulation took effect August 20, 2014.

HUD determined that, given the significant needs identified for multifamily cooperative financing, it was appropriate to reconsider its self-imposed limit allowing FHA insurance only for rental housing.

HUD noted that affordable cooperatives, which have low initial purchase prices, limited maintenance fees, and a cap on unit resale prices, face further challenges because the potential for generating new income through the turnover of units and additional assessments is low.

Residents Benefit

Refinancing the existing underlying mortgage of a cooperative is a preferred alternative to expending the cooperative's reserve funds, which would negatively impact the project's financial strength, said HUD. Refinancing also avoids the need for a special assessment when there is a large emergency repair such as a leaky roof—a benefit to residents.

The cost to HUD of cooperative refinancings will be offset by mortgage insurance premiums received under the Section 223(f) program. The documents and transactions for refinancing co-operatives will be similar to those used for other FHA-insured multifamily programs. HUD's risk management practices require more careful review of FHA financing or refinancing deals that exceed $100 million.

Responding to public comments on a proposed version of the rule, HUD said that it will also consider allowing cooperative refinancing transactions under Multifamily Accelerated Processing in the future.

The final rule can be found at http://1.usa.gov/1A2Xg78.

Closing Documents

The HUD Office of Multifamily Development published a notice of revised FHA loan documents in the July 11 Federal Register. The documents are required for transactions that received a firm commitment on or after August 10, 2014.

Both the 2011 and the 2014 versions of the closing documents will be available for a period of time to accommodate loans closing under the 2011 documents for projects with firm insurance commitments that were issued before August 10. The documents are available at http://1.usa.gov/1nJELdO. CHB

Action Alert: Your Help Is Needed

By Mary Ann Rothman

NAHC's greatest strength is its members. We, the members of NAHC, live in all parts of the nation. We share a belief that people can live productively together, sharing the responsibility for governing our homes. This cooperative model has worked to keep housing affordable, comfortable, safe, and clean while also fostering strong feelings of community.

As cooperators, we understand the value of working together. Now NAHC is asking you to reach out and influence national issues by contacting the law makers who represent you. Here are three important projects of NAHC where your help can lead to success. In each instance, we are simply asking that housing cooperatives be granted benefits that other forms of home ownership already have. Please meet with and or write your Congressional representative and U.S. Senators to ask that they support these issues. In doing so, you will talk about your cooperative, how well it works, and that it could work even better:

- If seniors could add to their finances through a reverse mortgage
- If veterans could use their low-interest loan guarantees when buying membership in a cooperative.
- If FEMA were authorized to make recovery grants to cooperatives to repair building systems damaged or destroyed by natural disasters.

Go to http://www.contactingthecongress.org for information on your member of Congress.
Below is more information on each of these issues.

NAHC's greatest strength is its members.

Reverse Mortgages

Legislation was passed in 2000 authorizing reverse mortgages for cooperatives, but until HUD puts forth regulations for these mortgages, no lenders are willing to offer reverse mortgages loans in housing cooperatives.

Ask your representative to urge HUD to publish regulations for reverse mortgages for cooperatives.

FEMA Grants

When disasters occur, FEMA quickly provides aid to individuals to repair or replace damaged parts of their homes. But FEMA considers cooperatives to be businesses and will not give grants to restore destroyed building systems.

Ask your representative to sign on to H.R. 2877 to allow FEMA recovery grants for cooperatives.

Veterans Benefits

The brave soldiers who defend our country are eligible for certain benefits when they return home. The Home Mortgage Loan Guaranty Program enables veterans to get low-interest loans when purchasing a home.

Ask your representative to sign on to H.R. 2522 to extend this benefit to veterans purchasing homes in housing cooperatives. CHB

Mary Ann Rothman is NAHC Government Relations Committee Chair, NAHC Board director and the executive director of the Council of New York Cooperatives & Condominiums.

Morningside Gardens Housing Cooperative, developed as a limited-equity housing cooperative on the upper west side, was the first home the Marshalls owned.

For the Marshalls, Morningside Gardens was open to inter-racial couples...In February 1949, Truman issued an executive order declaring such housing finance discrimination illegal.

The cooperative ownership and residency couldn't have come at a better time for the Marshalls as they were about to have their second child (John born in July 1958.) Being welcomed into the cooperative meant obtaining a home in which to safely bring up their two young children. Morningside Gardens, with six, 21-story buildings, became an inter-racial neighborhood that was secure and friendly. The site covered 10 acres that were beautifully laid out with significant open space and many facilities. The cooperative community of 3,500 people became a social and economic model for what New York City could be.

The Marshall's home was a cooperative apartment on the 17th floor of Building VI in Morningside Gardens. It would be theirs for nearly 10 years. Their cooperative share was $2,500, and their monthly carrying charges were $21. It is probable that this meant $21 a room. The October 1958 issue of the Morningside Gardens News reported, "One of our most active members is Mr. Thurgood Marshall, Building VI, who serves as a full-time lawyer for the NAACP. Mr. Marshall has pleaded many cases before the Supreme Court, most of which he has won."

As a neighbor of the Marshall's recalled, "We had a Fourth of July party here, and Thurgood and Cissy had over Alex Haley, Daisy Bates (champion of the Little Rock 9), and Lena Horne."

The Marshalls might have stayed at Morningside for the rest of their lives. However, in August of 1965, President Johnson appointed Marshall as the first black US Solicitor General. Soon after, the Marshall family moved to Washington D.C.

In 1967, the US Supreme Court struck down a ban on inter-racial marriage in Virginia and several other states the Commonwealth of Virginia, and shortly after, the Marshalls moved into a home now open to them in Falls Church, VA, Marshall was 60 when he was legally allowed to own his first single family home in Virginia. Yet, Morningside Gardens Cooperative, had in fact been the first home he and his family owned, a decade earlier.

This fact influenced Marshall greatly.

When it came to his own work with cooperatives, the place where Marshall made the most impact was on the issue of developing inter-racial cooperatives at the end of the Second World War. When the war ended, numerous groups, ranging from churches to veteran organizations, were intent on creating inter-racial cooperatives. As they reasoned, if they had fought a war and faced death together, why could they not live together?

Regretfully, this new idea was prevented through racial covenants, "red-lining" (the practice of banks not offering mortgages in black neighborhoods) and targeted use of insurance funds by the Federal Housing Authority (FHA). Throughout the United States, every attempt to create an inter-racial housing cooperative was turned down by the FHA. Whether it was York Center Cooperative, IL, Usonia in New York State, Community Homes and Mutual Housing Association in Los Angeles, Sunnyhills, Milpitas or Ladera in Palo Alto, all in California, the FHA fabricated excuses to turn down inter-racial cooperatives.

The FHA's unspoken opposition was that allowing blacks to live in a cooperative would impact the marketability of the units and lower the value, thereby harming the FHA's collateral investment.

One of these planned, post-war inter-racial cooperatives was York Center Cooperative in Du Page County, Ill. Conceived of by a group of religious and progressive families in 1945, York Center bought 100 acres to turn into a land cooperative for 79 homes. Although each home was to be owned by the cooperative member, the underlying land and improvements were to be owned jointly by the 72 members. The Chicago Tribune reported, "Members

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learned to tout the 100 acres of communally-owned property as an economically mixed society that was tolerant of all races, religions and ethnicities."

To create legal documents that would spell out and confirm the intent of their cooperative community, the original board sought a pro-bono lawyer. They were fortunate to get the help of Ted Robinson, an attorney who worked in Chicago for the Illinois Department of Labor. Robinson spent over two years working through the articles, bylaws, membership documents, deeds, and model lease—all based on one member, one vote, and open membership.

At the conclusion of his work, Robinson decided he, too, should apply to join the cooperative. The problem was that Robinson was black, and his wife was Jewish and their children of mixed race. A number of the cooperative members said they would leave if Robinson's family was allowed to join. Robinson withdrew his application, not wanting the cooperative to come to an end due to his application. However, many members felt that if their intent was truly to have "open membership" that meant everyone, which surely included Robinson and his inter-racial family. The Robinsons were then approved for membership, and some members did leave the cooperative.

York Center Community Cooperative then moved to the next phase, which was to obtain financing for their community. About 1947, the FHA turned down its application due it said to blight and unpaved roads, etc. But as in the other cases, the reality was that the FHA would not finance an inter-racial cooperative.

The York Community Cooperative then decided to fight the FHA's decision. To do so, the cooperative asked Thurgood Marshall and the NAACP to take up its case. Fortunately, Marshall had done extensive work on discrimination and civil rights with many departments of the U.S. government, especially the military during and after World War II.

In the end, Marshall's personally written, 21-page memorandum from the NAACP to President Truman* made its way to the President's desk. On the subject of FHA's racism, Marshall concluded, "The achievement of racial residential segregation is the purpose and the effect of FHA's policy."

And as we know, it was Truman who famously said, "The buck stops here." Truman reviewed the memo from Marshall and knew that the time had come to stop discrimination at least in government financing. In February 1949, Truman issued an executive order declaring such housing finance discrimination illegal.

Archivist Dennis Bilge of the Truman Library in Independence, Mo., states, "It is probably true that the York Center Cooperative was, if not the first, one of the very earliest integrated housing in the United States." Although the Executive Order was signed in 1949, it took a few more years before FHA relented and financed an inter-racial cooperative.

The work of Marshall on behalf of the inter-racial goals of the York Center Community Cooperative was another step forward for integration in America. Little did Marshall know that his efforts to help one inter-racial cooperative would lead him to his own cooperative opportunity in Morningside Gardens only six years later.

In later years, Morningside Gardens named its community center on La Salle Street the Thurgood Marshall Room. Many of the cooperative's member events take place there. It is a fitting tribute to a man who was helped by cooperatives and who helped cooperatives build a better America open to all races. CHB

David J. Thompson is President of Twin Pines Cooperative Foundation, dthompcoop@aol.com; 530/757-2233.

*Thurgood Marshall, "Memorandum to the President of the United States Concerning Racial Discrimination by the Federal Housing Administration," National Association for the Advancement of Colored People (Library of Congress Manuscript Collections), February 1, 1949, 14.

The Board of Directors: How to Make a Positive Difference

By John T. Kalas

Even though boards of directors and property managers are responsible for property, the issues that arise most often are likely to be related to people rather than real estate. That makes the job more difficult, and board members have to navigate with a little finesse to succeed. Follow some basic rules, and your board and community will work well.

Care and respect go a long way in our society... Remember, perception drives behavior.

First Things First: Give Others Due Respect

Care and respect go a long way in our society, and the same applies to the relationships between board members, as well as with the communities they serve. Think of a cooperative as a democracy, and you'll have a strong foundation. Like any democracy, the community you live in is made up of diverse individuals. Directors and managers need to approach others with an authentic caring attitude and give members the respect they deserve. That even goes for times of disagreement and when respect is not reciprocated.

Perception is Everything

Anyone who has been on a cooperative board of directors knows this fundamental truth about communication: It's not what you say; it's how you say it. Remember, perception drives behavior.

Successful boards are sensitive to the need to act and communicate with care because perception drives behavior. Having too many extra meetings or taking an action without a meeting, for example, can communicate to the cooperative that the board isn't operating democratically.

Take the "Four-Way Test"

A good rule of thumb for boards is to heed the "four-way test" approach, developed almost 100 years ago by the founder of Rotary International. The method helps ensure that parameters around a problem are clear, which leads to better decisions and relationships.

When finalizing a decision, ask yourself:

- Is it the truth?
- Is it fair to all concerned?
- Will it build goodwill and better relationships?
- Will it be beneficial for all concerned?

Looking at a fairly typical issue with many cooperatives, you can see how applying the four-way test can save the day—or at least the board's effectiveness.

An Example: Internal Dispute

Board members of a cooperative got involved in a bitter dispute over a roofing contract. One board member was upset over a decision that had been made regarding the contractor. The board argued, and the dissenting member resigned.

How could this scenario have gone differently? What would have happened if instead of arguing, members had a discussion about moving forward with the decision already agreed upon, instead of a "let's see how it goes" attitude. Applying the tests of honesty, fairness, relationship-building, and universal benefit, the board could have taken a course of action that everyone could live with: honor the originally chosen roofing contractor; schedule an open meeting down the road to talk about the company's progress and the quality of work; and choose an alternate vendor so that, should the current vendor do an unsatisfactory job, it could be replaced at the end of its 90-day probationary period.

Ultimately, cooperative board members have the privilege of being in a position to make a difference in the quality of life within the community. Exercising that privilege is about how decisions are made and making a commitment to communicate with mutual respect, honesty, fairness, and an authentic and caring attitude. CHB

John T. Kalas is CEO of Castle Breckenridge Management in San Diego, Calif. This article was adapted with permission from HOA Pulse.

St. Thomas, U.S. Virgin Islands: Annual Conference Offers Education, Awards, and Fun

By Linda Brockway

The National Association of Housing Cooperatives (NAHC) is holding its 54th annual conference in St. Thomas, U.S. Virgin Islands from Wednesday, October 15, through Saturday, October 18, 2014.

The "fun" begins on Monday, October 13, with the Registered Cooperative Management (RCM) two-day training for members still needing to obtain the RCM designation. RCMs are required to take the ethics class once every three years. The "recertification" class will begin at 1:00 p.m. on Tuesday, October 14, 2014. The information on registering is included in the conference registration package. Next year, NAHC will offer the RCM training in March 2015 in Washington, D.C.

To honor outstanding cooperative achievements, NAHC will present its award lunch granting the Voorhis Award, the Cooperative Star Award, the Distinguished Member Award, and the President's Award, and presenting certificates and pins to the graduating RCMs, along with a few special awards on Friday, October 17. NAHC extends a special thank you to NCB for sponsoring the annual awards luncheon.

The other highlights of NAHC's conference will include the opening sunset reception with an ocean view on October 15. The Strut Your Stuff luncheon will follow the next day where members will strut their stuff in cooperative t-shirts and hats and participate in a dance contest. NAHC appreciates Cooperative Development Foundation's sponsorship of the strut your stuff luncheon and LOVE funding for the conference bags.

In addition to the luncheons, exhibitors will present their products, trinkets, and information regarding the services available to cooperatives.

The Member Service Committee is also offering the following tours:

1. **ST. THOMAS ISLAND DRIVE AND SHOPPING TOUR** is a two- and one-half hour open-air safari tour where tourists can "see" the entire island. The tour will include the St. Peter Great House and Botanical Gardens, the fabulous panoramas found at Drake's Seat overlooking Magen's Bay, and will end at the mountain top for a banana daiquiri and shopping.

2. **THE CORAL WORLD MARINE PARK AND UNDERWATER OBSERVATORY TOUR** has been voted the top attraction in the U.S. Virgin Islands. Visitors will get a close view of the beauty and magic of Caribbean marine life in a stunning setting.

3. **ST. JOHN SAFARI SNORKELING** will permit tourists to cross and have an underwater view of the islands.

4. **THE CATAMARAN HALF-DAY SAIL AND SNORKELING TOUR** will give visitors a true taste of the Caribbean while sailing along the coast of St. Thomas to the Buck Island Wildlife Refuge. Tourists will then be able to snorkel over the reefs.

Members having questions about the tours should contact either Linda Brockway, chairperson, Member Services Committee at ljbecho@aol.com or Hope Turner, vice chair, at hturner627@hotmail.com.

If members want to go on their own adventures, a variety of additional opportunities exist including the Paradise Point Sky Ride, the Magic Ice Gallery, and zip lining through the tropical rain forest. Members can also enjoy golf, sport fishing, day and night kayaking or a catamaran sunset sail. CHB

Linda Brockway is chair of the Member Services Committee.

Cooperatives Can Get Incentives to Conserve and Use Renewable Energy Sources

Editor's note: Federal and state programs offer various incentives to housing cooperatives to conserve energy and use renewable energy sources. The following chart is adapted from Green Tax Incentive Compendium *with permission from Jerome Garciano of Robinson + Cole, Boston MA. The full 129 page report with details about the tax incentives is available from jgarciano@rc.com.*

Summary Chart of Federal/State Renewable Energy and Energy Efficiency Tax Incentives – July 2014 (Residential Owner)

Sec	Jurisdiction	Statute	Incentive Title	Technology	Tax	Type	Taxpayer	Period (yrs)	Amount	Maximum	Exp.
00.02	Federal	§48	Investment In Energy Property	Fuel cell	Income	Credit	Owner	5	30%	$1,500/0.5 kw	2016
00.02	Federal	§48	Investment In Energy Property	Solar	Income	Credit	Owner	5	5 30%	-	2016
00.02	Federal	§48	Investment In Energy Property	Geothermal	Income	Credit	Owner	5	10%	-	2016
00.02	Federal	§48	Investment In Energy Property	Cogeneration	Income	Credit	Owner	5	10%	-	2016
00.04	Federal	§30C	Qualifying Alternative Fuel Vehicle Refueling Property (2-3 wheel)	Fuel cell	Income	Credit	Owner	-	30%	$30,000	2014
00.13	Federal	§168(e)(3)	Certain Energy Property	Solar	Income	Deduction	Owner	5	200% DB	-	2016
00.13	Federal	§168(e)(3)	Certain Energy Property	Geothermal	Income	Deduction	Owner	5	200% DB	-	2016
00.13	Federal	§168(e)(3)	Certain Energy Property	Fuel cell	Income	Deduction	Owner	5	200% DB	-	2016
00.18	Federal	§25D	Residential Energy Efficient Property	Solar Electric	Income	Credit	Owner	-	30%	-	2016
00.18	Federal	§25D	Residential Energy Efficient Property	Solar Thermal	Income	Credit	Owner	-	30%	-	2016
00.18	Federal	§25D	Residential Energy Efficient Property	Fuel cell	Income	Credit	Owner	-	30%	$500/0.5kw	2016
00.18	Federal	§25D	Residential Energy Efficient Property	Geothermal	Income	Credit	Owner	-	30%	-	2016
03.01	Alaska	§29.45.050(b)(E)	Residential Renewable Energy Systems	Solar Electric	Property	Exemption	Owner	-	Varies	-	-
04.05	Arizona	§43-1085	Non-Residential Solar And Wind Energy Devices	Solar	Income	Credit	Owner	-	10%	$25,000/building	2018
04.06	Arizona	§42-11054	Energy Efficiency and Renewable Energy Equipment	Solar	Property	Exemption	Owner	-	100%	-	-
04.06	Arizona	§42-11054	Energy Efficiency and Renewable Energy Equipment	Energy Efficiency	Property	Exemption	Owner	-	100%	-	-
04.10	Arizona	§43-1083	Residential Solar And Wind Energy Devices	Solar	Income	Credit	Owner	-	25%	$1,000	-
06.01	California	§73	Active Solar Energy Systems	Solar	Property	Exclusion	Owner	-	75-100%	-	2024
08.01	Colorado	§31-20-101.3	Renewable Energy Systems	Solar Electric	Property	Credit	Owner	-	Varies	-	-
08.01	Colorado	§31-20-101.3	Renewable Energy Systems	Solar Thermal	Property	Credit	Owner	-	Varies	-	-
08.01	Colorado	§31-20-101.3	Renewable Energy Systems	Geothermal	Property	Credit	Owner	-	Varies	-	-
08.08	Colorado	§39-3-102	Leased Residential Solar Electric Generation Facilities	Solar Electric	Property	Exemption	Owner	-	100%	-	-
08.11	Colorado	§39-3-118.7	Community Solar Gardens	Solar Electric	Property	Exemption	Owner	-	100%	-	2020
08.12	Colorado	§39-30-104	Enterprise Zone Property Investment	Solar	Income	Credit	Owner	-	3%	$750,000	-
08.12	Colorado	§39-30-104	Enterprise Zone Property Investment	Geothermal	Income	Credit	Owner	-	3%	$750,000	-
08.12	Colorado	§39-30-104	Enterprise Zone Property Investment	Fuel cell	Income	Credit	Owner	-	3%	$750,000	-
09.06	Connecticut	§12-217mm	Energy Efficient Green Building	Energy Efficiency	Income	Credit	Owner	-	5-11%	$150-250/sf	-
09.07	Connecticut	§12-81(56),(57)	Renewable Energy Systems	Solar	Property	Exemption	Owner	-	100%	-	-
09.07	Connecticut	§12-81(56),(57)	Renewable Energy Systems	Fuel cell	Property	Exemption	Owner	-	100%	-	-
11.01	District of Columbia	§47-1508(a)(12)	Cogeneration Equipment Personal Property Tax Exemption	Cogeneration	Property	Exemption	Owner	-	100%	-	-
11.02	District of Columbia	§47-1508(a)(11)	Solar Energy Systems	Solar	Property	Exemption	Owner	-	100%	-	-
12.01	Florida	§193.624	Residential Renewable Energy Source Devices	Solar	Property	Exemption	Owner	10	100%	-	-
12.01	Florida	§193.624	Residential Renewable Energy Source Devices	Geothermal	Property	Exemption	Owner	10	100%	-	-
13.01	Georgia	§48-7-29.14	Clean Energy Property	Solar Electric	Income	Credit	Owner	4	35%	$500,000 / $2,500	2014
13.01	Georgia	§48-7-29.14	Clean Energy Property	Solar Thermal	Income	Credit	Owner	4	35%	$100,000 / $2,500	2014
13.01	Georgia	§48-7-29.14	Clean Energy Property	Geothermal	Income	Credit	Owner	4	35%	$100,000 / $2,000	2014
13.01	Georgia	§48-7-29.14	Clean Energy Property	Energy Efficiency	Income	Credit	Owner	4	$1.80/sf	$100,000	2014
15.03	Hawaii	§235-12.5	Wind And Solar Energy Systems	Solar electric	Income	Credit	Owner	-	35%	$500,000 / $5,000/ Unit	-

Cooperatives Can Get Incentives [continued from page 10]

Sec	Jurisdiction	Statute	Incentive Title	Technology	Tax	Type	Taxpayer	Period (yrs)	Amount	Maximum	Exp.
15.06	Hawaii	§246-34.7	Alternative Energy Improvements	Solar	Property	Exemption	Owner	25	100%	-	-
16.03	Idaho	§63-3022B	Residential Energy Efficiency Upgrades	Energy Efficiency	Income	Deduction	Owner	-	100%	-	-
16.04	Idaho	§63-3022C	Residential Alternative Energy Devices	Solar	Income	Deduction	Owner	4	100%	$5,000	-
16.04	Idaho	§63-3022C	Residential Alternative Energy Devices	Geothermal	Income	Deduction	Owner	4	100%	$5,000	-
17.01	Illinois	35 §200/10-10	Solar and Wind Energy Property	Solar	Property	Exemption	Owner	-	100%	-	2016
18.01	Indiana	§6-1.1-12-26	Renewable Energy Property	Solar	Property	Exemption	Owner	-	100%	-	-
18.01	Indiana	§6-1.1-12-26	Renewable Energy Property	Geothermal	Property	Exemption	Owner	-	100%	-	-
18.05	Indiana	§6-3-2-5	Installation Of Insulation	Energy Efficiency	Income	Deduction	Owner	-	100%	$1,000	-
18.06	Indiana	§6-3-2-5.3	Solar Powered Roof Vent Or Fan	Solar	Income	Deduction	Owner	-	50%	$1,000	-
19.02	Iowa	§441.21(8)	Solar And Wind Energy Systems and Biofuel Production	Solar	Property	Exemption	Owner	5	100%	-	-
19.06	Iowa	§437A.3(27)	Methane Gas, Cogeneration And Wind Energy Conversion	Cogeneration	Nonreplacement Generation	Exemption	Owner	-	100%	-	-
19.12	Iowa	§422.11I	Residential Geothermal Heat Pumps	Geothermal	Income	Credit	Owner	-	6%	-	-
19.13	Iowa	§427.38	Residential Geothermal Heat Pumps	Geothermal	Property	Exemption	Owner	-	100%	-	2020
19.14	Iowa	§422.11L	Solar Energy Systems	Solar	Income	Credit	Owner	-	18%	$5,000 / $20,000	2016
20.02	Kansas	§79-201	Renewable Energy Equipment	Solar	Property	Exemption	Owner	-	100%	-	-
20.02	Kansas	§79-201	Renewable Energy Equipment	Solar electric	Property	Exemption	Owner	-	100%	-	-
20.02	Kansas	§79-201	Renewable Energy Equipment	Geothermal	Property	Exemption	Owner	-	100%	-	-
21.02	Kentucky	§141.436	Renewable Energy Systems	Solar Thermal	Income	Credit	Owner	-	30%	$500	2015
21.02	Kentucky	§141.436	Renewable Energy Systems	Solar electric	Income	Credit	Owner	-	$3.00/w	$500	2015
21.02	Kentucky	§141.436	Renewable Energy Systems	Geothermal	Income	Credit	Owner	-	30%	$250	2015
21.06	Kentucky	§141.435	Energy Efficient Commercial Property	Energy Efficiency	Income	Credit	Owner	-	30%	$1,000	2015
21.08	Kentucky	§141.435	Energy Efficient Residential Property	Energy Efficiency	Income	Credit	Owner	-	30%	$500	2015
22.01	Louisiana	§47:6030	Residential Wind and Solar Energy Systems	Solar	Income	Credit	Owner	-	50%	$12,500	2017
22.05	Louisiana	§47:1706	Residential Solar Energy Systems	Solar	Property	Exemption	Owner	-	100%	-	-
24.02	Maryland	§9-203	Solar, Geothermal, And Energy Conservation Devices	Solar	Property	Credit	Owner	-	100%	-	-
24.02	Maryland	§9-203	Solar, Geothermal, And Energy Conservation Devices	Geothermal	Property	Credit	Owner	-	100%	-	-
24.02	Maryland	§9-203	Solar, Geothermal, And Energy Conservation Devices	Energy Efficiency	Property	Credit	Owner	-	100%	-	-
24.03	Maryland	§7-242	Renewable Energy Systems	Geothermal	Property	Exemption	Owner	-	100%	-	-
24.03	Maryland	§7-242	Renewable Energy Systems	Solar electric	Property	Exemption	Owner	-	100%	-	-
24.03	Maryland	§7-242	Renewable Energy Systems	Solar Thermal	Property	Exemption	Owner	-	100%	-	-
24.06	Maryland	§8-240	Solar And Geothermal Heating And Cooling Systems	Solar	Property	Exemption	Owner	-	100%	-	-
24.06	Maryland	§8-240	Solar And Geothermal Heating And Cooling Systems	Geothermal	Property	Exemption	Owner	-	100%	-	-
24.10	Maryland	§9-242	LEED Silver Or Better Green Buildings	Energy Efficiency	Property	Credit	Owner	-	100%	-	-
24.12	Maryland	§5A-303	LEED Gold Historical Buildings	Energy Efficiency	Income	Credit	Owner	-	25%	$3 million	2017
25.01	Massachusetts	63 §38H	Solar Or Wind Powered Systems	Solar	Income	Deduction	Owner	-	100%	-	-
25.02	Massachusetts	59 §5 (45, 45A)	Renewable Energy Property	Solar	Property	Exemption	Owner	20	100%	-	-
25.03	Massachusetts	62 §2(a)(2)(G)	Energy Conservation Or Alternative Energy Patents	Energy Efficiency	Income	Deduction	Owner	5	100%	-	-
25.04	Massachusetts	62 §6(d)	Renewable Energy Systems In Primary Residences	Solar	Income	Credit	Owner	-	15%	$1,000	-
26.01	Michigan	§125.2681	Renewable Energy Renaissance Zones	Solar	Varies	Abatement	Owner	15	100%	-	-
26.01	Michigan	§125.2681	Renewable Energy Renaissance Zones	Fuel cell	Varies	Abatement	Owner	15	100%	-	-
27.01	Minnesota	§272.028	Solar Electric And Wind Systems	Solar electric	Property	Exemption	Owner	-	100%	-	-
30.02	Montana	§15-24-3111	Renewable Energy Production And Manufacturing Facilities	Solar	Property	Abatement	Owner	19	50%	$1 million of value	-
30.02	Montana	§15-24-3111	Renewable Energy Production And Manufacturing Facilities	Geothermal	Property	Abatement	Owner	19	50%	$1 million of value	-
30.02	Montana	§15-24-3111	Renewable Energy Production And Manufacturing Facilities	Fuel cell	Property	Abatement	Owner	19	50%	$1 million of value	-
30.02	Montana	§15-24-3111	Renewable Energy Production And Manufacturing Facilities	Cogeneration	Property	Abatement	Owner	19	50%	$1 million of value	-
30.04	Montana	§15-32-109	Energy Conservation Investments In A Building	Energy Efficiency	Income	Credit	Owner	-	25%	$500	-

Sec	Jurisdiction	Statute	Incentive Title	Technology	Tax	Type	Taxpayer	Period (yrs)	Amount	Maximum	Exp.
30.05	Montana	§15-24-1402	Alternative Renewable Energy Generating Facilities	Solar	Property	Assessment	Owner	10	50%	-	-
30.05	Montana	§15-24-1402	Alternative Renewable Energy Generating Facilities	Geothermal	Property	Assessment	Owner	10	50%	-	-
30.05	Montana	§15-24-1402	Alternative Renewable Energy Generating Facilities	Fuel cell	Property	Assessment	Owner	10	50%	-	-
30.07	Montana	§15-6-224	Renewable Energy Systems	Solar	Property	Exemption	Owner	10	100%	$100,000 / $20,000	-
30.07	Montana	§15-6-224	Renewable Energy Systems	Geothermal	Property	Exemption	Owner	10	100%	$100,000 / $20,000	-
30.07	Montana	§15-6-224	Renewable Energy Systems	Fuel cell	Property	Exemption	Owner	10	100%	$100,000 / $20,000	-
30.11	Montana	§15-32-103	Energy Conservation Capital Investments	Energy Efficiency	Income	Deduction	Owner	-	100%	$3,600 / $1,800	-
30.12	Montana	§15-32-201	Residential Non-Fossil Form Energy Systems	Solar	Income	Credit	Owner	-	100%	$500	-
30.12	Montana	§15-32-201	Residential Non-Fossil Form Energy Systems	Geothermal	Income	Credit	Owner	-	100%	$500	-
30.12	Montana	§15-32-201	Residential Non-Fossil Form Energy Systems	Fuel cell	Income	Credit	Owner	-	100%	$500	-
30.13	Montana	§15-32-115	Residential Geothermal Heating Or Cooling System	Geothermal	Income	Credit	Owner	-	100%	$1,500	-
32.02	Nevada	§701A.220	Renewable Energy Production Facilities	Solar	Property	Abatement	Owner	20	55%	-	2049
32.02	Nevada	§701A.220	Renewable Energy Production Facilities	Fuel cell	Property	Abatement	Owner	20	55%	-	2049
32.02	Nevada	§701A.220	Renewable Energy Production Facilities	Geothermal	Property	Abatement	Owner	20	55%	-	2049
32.03	Nevada	§701A.200	Renewable Energy Systems	Solar	Property	Exemption	Owner	-	100%	-	-
32.03	Nevada	§701A.200	Renewable Energy Systems	Geothermal	Property	Exemption	Owner	-	100%	-	-
32.05	Nevada	§701A.110	LEED Certified Energy Efficient Green Buildings	Energy Efficiency	Property	Abatement	Owner	10	25-35%	-	-
33.01	New Hampshire	72 §73	Renewable Generation Facilities	Geothermal	Property	Abatement	Owner	5	Varies	-	-
33.01	New Hampshire	72 §73	Renewable Generation Facilities	Solar Thermal	Property	Abatement	Owner	5	Varies	-	-
33.02	New Hampshire	72 §61	Residential Renewable-Energy Systems	Solar	Property	Exemption	Owner	-	-	-	-
34.02	New Jersey	§54:4-3.113	Renewable Energy Systems	Solar electric	Property	Exemption	Owner	-	100%	-	-
34.02	New Jersey	§54:4-3.113	Renewable Energy Systems	Fuel cell	Property	Exemption	Owner	-	100%	-	-
34.02	New Jersey	§54:4-3.113	Renewable Energy Systems	Geothermal	Property	Exemption	Owner	-	100%	-	-
34.02	New Jersey	§54:4-3.113	Renewable Energy Systems	Cogeneration	Property	Exemption	Owner	-	100%	-	-
34.02	New Jersey	§54:4-3.113	Renewable Energy Systems	Solar Thermal	Property	Exemption	Owner	-	100%	-	-
35.01	New Mexico	§7-2A-25	Advanced Energy Systems	Solar	Income	Credit	Owner	-	6%	-	2015
35.01	New Mexico	§7-2A-25	Advanced Energy Systems	Geothermal	Income	Credit	Owner	-	6%	-	2015
35.06	New Mexico	§7-2-18.14	Solar Thermal Energy Or Photovoltaic Systems	Solar	Income	Credit	Owner	-	10%	$9,000	2016
35.08	New Mexico	§7-2A-24	Geothermal Systems	Geothermal	Income	Credit	Owner	-	30%	$9,000	2020
35.12	New Mexico	§7-2A-21	LEED Certified Green Buildings	Energy Efficiency	Income	Credit	Owner	-	$0.30-9.00/SF	$5,000,000	2016
36.02	New York	4 §487	Solar, Wind & Biomass Energy Systems	Solar	Property	Exemption	Owner	15	100%	-	2014
36.04	New York	§210(24)	Alternative Fuel Vehicle and Electric Vehicle Refueling Property	Electric Vehicle	Income	Credit	Owner	-	50%	$5000	2017
36.05	New York	§487-a	Energy Conservation Improvements	Energy Efficiency	Property	Exemption	Owner	-	100%	-	-
36.07	New York	22 §210.37	Solar And Fuel Cell System Equipment	Solar	Income	Credit	Owner	-	25%	$5,000	-
36.07	New York	22 §210.37	Solar And Fuel Cell System Equipment	Fuel cell	Income	Credit	Owner	-	20%	$1,500	-
36.11	New York	§470	Green Building Property Tax Exemption	Energy Efficiency	Property	Exemption	Owner	10	0-100%	-	-
36.13	New York	§499-aaa	Green Roofs	Energy Efficiency	Property	Abatement	Owner	-	$5.23/sf	-	2019
37.01	North Carolina	§105-129.15	Renewable Energy Systems	Solar electric	Income	Credit	Owner	5	35%	$10,500	2015
37.01	North Carolina	§105-129.15	Renewable Energy Systems	Solar Thermal	Income	Credit	Owner	5	35%	$1,400	2015
37.01	North Carolina	§105-129.15	Renewable Energy Systems	Geothermal	Income	Credit	Owner	5	35%	$8,400	2015
37.02	North Carolina	§105-275(45)	Solar Energy Electric System	Solar electric	Property	Assessment	Owner	-	80%	-	-
37.03	North Carolina	§105-277(g)	Active Solar Heating And Cooling Systems	Solar Thermal	Property	Abatement	Owner	-	100%	-	-
38.01	North Dakota	§57-38-01.8	Renewable Energy Systems	Geothermal	Income	Credit	Owner	5	15%	-	2014
38.01	North Dakota	§57-38-01.8	Renewable Energy Systems	Solar	Income	Credit	Owner	5	15%	-	2014
38.02	North Dakota	§57-02-08(27)	Geothermal, Solar And Wind Property	Geothermal	Property	Abatement	Owner	5	100%	-	-
38.02	North Dakota	§57-02-08(27)	Geothermal, Solar And Wind Property	Solar	Property	Abatement	Owner	5	100%	-	-
38.08	North Dakota	§57-38-01.8	Geothermal Energy Device Installation	Geothermal	Income	Credit	Owner	5	3%	-	2014
39.02	Ohio	§5709.53	Solar, Wind, And Hydrothermal Energy Systems	Solar	Property	Exemption	Owner	-	100%	-	-
39.02	Ohio	§5709.53	Solar, Wind, And Hydrothermal Energy Systems	Geothermal	Property	Exemption	Owner	-	100%	-	-

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Sec	Jurisdiction	Statute	Incentive Title	Technology	Tax	Type	Taxpayer	Period (yrs)	Amount	Maximum	Exp.
39.04	Ohio	§3706	Energy Conversion And Thermal Efficiency Improvements	Solar Thermal	Property	Exemption	Owner	-	100%	-	-
39.04	Ohio	§3706	Energy Conversion And Thermal Efficiency Improvements	Solar electric	Property	Exemption	Owner	-	100%	-	-
39.04	Ohio	§3706	Energy Conversion And Thermal Efficiency Improvements	Cogeneration	Property	Exemption	Owner	-	100%	-	-
40.04	Oklahoma	68 §2357.22	Electric And Clean-Burning Motor Vehicle Fuel Property	Electric Vehicle	Income	Credit	Owner	-	45-75%	$2,500	2014
41.01	Oregon	§315.331	Energy Improvements	Energy Efficiency	Income	Credit	Owner	5	35-50%	$20 million	2017
41.01	Oregon	§315.331	Energy Improvements	Cogeneration	Income	Credit	Owner	5	35-50%	$20 million	2017
41.01	Oregon	§315.331	Energy Improvements	Solar	Income	Credit	Owner	5	35-50%	$20 million	2017
41.01	Oregon	§315.331	Energy Improvements	Geothermal	Income	Credit	Owner	5	35-50%	$20 million	2017
41.01	Oregon	§315.331	Energy Improvements	Fuel cell	Income	Credit	Owner	5	35-50%	$20 million	2017
41.07	Oregon	§469.185	Residential Renewable Energy Property	Solar electric	Income	Credit	Owner	-	$3.00/w	$6,000	2017
41.07	Oregon	§469.185	Residential Renewable Energy Property	Fuel cell	Income	Credit	Owner	-	$3.00/w	$6,000	2017
41.07	Oregon	§469.185	Residential Renewable Energy Property	Solar Thermal	Income	Credit	Owner	-	$0.60/kwh	$1,500	2017
41.07	Oregon	§469.185	Residential Renewable Energy Property	Geothermal	Income	Credit	Owner	-	$300-$900	$900	2017
41.07	Oregon	§469.185	Residential Renewable Energy Property	Energy Efficiency	Income	Credit	Owner	-	$0.40/kwh	25%	2017
41.10	Oregon	§315.354	Renewable Energy Conservation Projects	Energy Efficiency	Income	Credit	Owner	5	35%	$10 million	2017
41.11	Oregon	§315.336	Alternative Fuel Vehicle Infrastructure	Electric Vehicle	Income	Credit	Owner	-	35%	-	2017
41.12	Oregon	§385C.350	Rural Renewable Energy Development	Solar	Property	Exemption	Owner	3	100%	-	-
41.12	Oregon	§385C.350	Rural Renewable Energy Development	Geothermal	Property	Exemption	Owner	3	100%	-	-
44.02	Rhode Island	§44-3-21	Renewable-Energy Systems	Solar	Property	Exemption	Owner	-	100%	-	-
44.02	Rhode Island	§44-3-21	Renewable-Energy Systems	Geothermal	Property	Exemption	Owner	-	100%	-	-
44.04	Rhode Island	§44-57-1	Residential Renewable Energy Systems	Solar electric	Income	Credit	Owner	-	25%	$15,000	-
44.04	Rhode Island	§44-57-1	Residential Renewable Energy Systems	Solar Thermal	Income	Credit	Owner	-	25%	$7,000	-
44.04	Rhode Island	§44-57-1	Residential Renewable Energy Systems	Geothermal	Income	Credit	Owner	-	25%	$7,000	-
44.05	Rhode Island	§44-57-4(a)(6)	Residential Solar Property	Solar	Property	Exemption	Owner	-	100%	-	-
45.01	South Carolina	§12-6-3587	Solar Energy Or Small Hydropower Systems	Solar	Income	Credit	Owner	-	25%	-	-
45.10	South Carolina	§12-6-3588	Plant And Equipment For Clean Energy Manufacturing Operations	Solar	Income	Credit	Owner	-	10%	$500,000	2020
45.10	South Carolina	§12-6-3588	Plant And Equipment For Clean Energy Manufacturing Operations	Geothermal	Income	Credit	Owner	-	10%	$500,000	2020
45.11	South Carolina	§12-6-3600	Alternative Motor Vehicles	Electric Vehicle	Income	Credit	Owner	-	20%	-	-
45.11	South Carolina	§12-6-3600	Alternative Motor Vehicles	Fuel cell	Income	Credit	Owner	-	20%	-	-
46.01	South Dakota	§10-6-35.8	Renewable Energy Systems	Solar	Property	Assessment	Owner	6	50-100%	-	-
46.01	South Dakota	§10-6-35.8	Renewable Energy Systems	Geothermal	Property	Assessment	Owner	6	50-100%	-	-
46.05	South Dakota	§10-4-44	Small Renewable Energy Facilities	Solar	Property	Exemption	Owner	-	70%	-	-
46.05	South Dakota	§10-4-44	Small Renewable Energy Facilities	Fuel cell	Property	Exemption	Owner	-	70%	-	-
46.05	South Dakota	§10-4-44	Small Renewable Energy Facilities	Geothermal	Property	Exemption	Owner	-	70%	-	-
47.03	Tennessee	§67-5-601	Green Energy Production Facilities	Solar	Property	Exemption	Owner	-	67-87.5%	-	-
47.03	Tennessee	§67-5-601	Green Energy Production Facilities	Geothermal	Property	Exemption	Owner	-	67-87.5%	-	-
47.03	Tennessee	§67-5-601	Green Energy Production Facilities	Fuel cell	Property	Exemption	Owner	-	67-87.5%	-	-
47.04	Tennessee	§67-4-2108(a)(5)	Green Energy Production Facilities	Solar	Franchise	Exemption	Owner	-	100%	-	-
47.04	Tennessee	§67-4-2108(a)(5)	Green Energy Production Facilities	Geothermal	Franchise	Exemption	Owner	-	100%	-	-
47.04	Tennessee	§67-4-2108(a)(5)	Green Energy Production Facilities	Fuel cell	Franchise	Exemption	Owner	-	100%	-	-
48.01	Texas	§11.27	Renewable Energy Systems	Solar	Property	Exemption	Owner	-	100%	-	-
48.02	Texas	§171.107	Solar And Wind Energy Devices	Solar	Income	Deduction	Owner	-	10%	-	-
49.01	Utah	§59-7-614	Renewable Energy Systems	Solar Thermal	Income	Credit	Owner	-	10-25%	$50,000	-
49.01	Utah	§59-7-614	Renewable Energy Systems	Solar electric	Income	Credit	Owner	-	10-25%	$50,000	-
49.01	Utah	§59-7-614	Renewable Energy Systems	Geothermal	Income	Credit	Owner	-	10-25%	$50,000	-
49.02	Utah	§59-7-614(2)(c)	Renewable Energy Systems	Geothermal	Income	Credit	Owner	4	$0.0035/kWh	-	-
50.01	Vermont	32 §3845	Alternate Energy Source Systems	Solar	Property	Exemption	Owner	-	100%	-	-
50.04	Vermont	32 §5930z	Solar Energy Equipment On Business Properties	Solar	Income	Credit	Owner	-	30%	-	2016
51.02	Virginia	§58.1-3660	Solar Energy Property	Solar	Property	Exemption	Owner	5	100%	-	-
51.06	Virginia	§58.1-3221.2	Energy Efficient Buildings	Energy Efficiency	Property	Assessment	Owner	-	Varies	-	-
55.01	Wisconsin	§70.111(18)	Biogas, Solar, Wind-Energy Systems	Solar	Property	Exemption	Owner	-	100%	-	-

NAHC

The National Association of Housing Cooperatives

BOARD TRAINING SEMINAR

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The 3Rs for Cooperative Boards

Roles, Risks and Rewards—The 3Rs for Cooperative Boards is a six-hour, in-person, seminar that will build your cooperative knowledge and show you how to work together as a board. The 3Rs seminar assists board members in developing excellence in governance right at their own cooperative!

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Ferguson and the Nation that Needs Housing Cooperatives

By Herbert H. Fisher

ARTICLES ABOUT THE EXPERIENCE IN FERGUSON, MO., describe the issues arising out of race and class. Private investment and public policy decisions promote development in white, more affluent occupied areas and drain resources away from minority, poorer areas. Examples of such communities include Ferguson's neighboring St. Louis suburbs, or the Harvey, Chicago Heights, and Robbins, Ill., suburbs south of Chicago.

Added to this mix is gentrification that has occurred over the past 40 years, yielding poorer minority occupied areas that receive little benefit. Communities of disenfranchised residents are alienated from effective participation in government and recipients of disparate treatment in the job market, education, and economic arena.

All that has been described is not pie in the sky or "I had a dream" episode.

The housing cooperative immediately provides an atmosphere distinctly different from the results of the public and private policies that produce the Ferguson syndromes in our nation. Residents of housing cooperatives have found a vehicle through which to be committed together in a self-interest common enterprise. In turn, the cooperative provides its residents with housing and direct democratic participation in the community's governance. Residents also benefit from lower costs than rental housing, and where the marketplace permits, a modest growth in their moderate investment in their housing. Thus, the experience over the past 50 years of housing cooperatives created with HUD-insured financing has demonstrated this unequivocal outcome where the process had not been pre-empted by self-seeking individuals facilitated by lethargic residents.

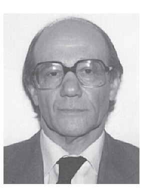
The national housing policy of the 1960s produced this phenomenon with the 97% loan to value financing (hard and soft costs) of Section 213 or 100% loan to value financing of 221(d)(3)BMIR provisions of the National Housing Act with non-cost certifiable lump sum construction contracts. These provisions attracted builders who were willing to advance the seed money needed to get the FHA mortgage insurance commitments.

The results have been, with few exceptions, a half century of self-sustaining democratically governed self-determining communities which are still today providing affordable safe, sanitary, and decent housing in communities. As a result government, or the mortgagees to whom government sold defaulted but reinstated mortgages, received repayment of 100% of the loan principal together with all interest earned on those loans.

The cooperator mortgagor experience was in contrast to the nonprofit and limited dividend ownership of rental housing under the same program, which housing, again with few exceptions, ceased to exist as affordable housing after 20 years of existence (unless it was converted to cooperative or tenant association ownership under the LIPHRA grant program) all of which was of tremendous unrecovered expense to the government.

Public policy makers should recognize five decades of positive housing experience producing environments directly opposite to the Ferguson syndrome. This evidence supports the conclusion that the least expensive start in correcting these conditions is the immediate result of direct socio-economic benefit. This benefit flows from the economic benefits of the housing in which residents live, control, and own the cooperative entity. The real estate in which residents' housing is located is being determined by themselves through their own resident governed cooperative. All of the economic benefits and results of the housing operation are for the sole benefit of and under the control of these owning and self-governing residents.

All that has been described is not pie in the sky or "I had a dream" episode. It is real and exists in the St. Joseph's Community Cooperative in Boston, Wildwood Park Towne Houses in Atlanta, River Park in Washington, D.C., London Towne Houses Cooperative in Chicago, St. Francis Square in San Francisco, and their hundreds of affordable sister cooperatives across the nation and as represented by NAHC. CHB



Herbert H. Fisher is an attorney in Chicago, Illinois, frequent contributor to the CHB, former NAHC President and Chairman of its Board of Directors.

CDFI Fund Awards Grants to Community Lending Organizations

THE DEPARTMENT OF THE TREASURY'S COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS (CDFI) Fund announced grants to 185 community lending organizations. Among awardees are: **North Country Cooperative Development Fund** ($1 million), **Chicago Community Loan Fund** ($1.25 million), **New Hampshire Community Loan Fund** ($2 million), and $4 million to **Capital Impact Partners** (affiliated with NCB Capital Impact). Funds can be used for many purposes. The CDFI Fund reported that in 2012, recipients were responsible for the creation or preservation of nearly 18,000 units of affordable housing.

NCB Ranked #5 in Washington Post Top Workplaces Survey

THE WASHINGTON POST SURVEY of Washington area employees showed the National Cooperative Bank ranked as #5 in mid-sized companies. The Top Workplaces are determined based solely by an employee feedback survey conducted by WorkplaceDynamics, LLP, a leading research firm on organizational health and employee engagement. CHB

COOPERATIVE CALENDAR

OCTOBER *is Co-op Month*

15-18 National Association of Housing Cooperatives 54th Annual Conference; Frenchman's Reef & Morning Star Marriott Beach Resort, St. Thomas, U.S. Virgin Islands.

NOVEMBER

8 Potomac Association of Housing Cooperatives 2014 Fall Training; Benning Road Cooperative, Inc., Washington, D.C.

15-16 Midwest Association of Housing Cooperatives Certified Cooperative Director Class; Woodbridge Commons Cooperative, Lansing, Michigan.

16 Council of New York Cooperatives & Condominiums 33nd Annual Housing Conference & Expo; Baruch College's Newman Vertical Campus, Manhattan, New York.

Pontiac Village Estates Co-op Apartments is a three-story building with 77 one-bedroom apartments.

CSI Support & Development

CSI SUPPORT & DEVELOPMENT'S 58TH COOPERATIVE, Pontiac Village Estates Co-op Apartments in Pontiac, Mich., is set to open doors some time mid-October. With that in mind, CSI has been very busy getting everything ready and finalized before opening day. In August, the décor committee, which is made up of interested applicants, met to pick out common area furniture for the lounges, lobby, library, balconies, and gazebo. Interested applicants also selected office furniture colors and recreation room chairs and tables. CSI is in the process of bidding out contracts such as maintenance, trash, washers/dryers, and phones/internet. Applicants who attended the CSI Leasing Certification Training were interviewed early September. Staff is now interviewing waitlisted applicants. Due to the secluded location, the waitlist is currently very short, but CSI strongly believes that once open the cooperative will sell itself in the community. For waitlist information, prospective members can call 800/593-3052 or go to the website www.csi.coop.

Council of New York Cooperatives & Condominiums

CNYC'S 34TH ANNUAL HOUSING CONFERENCE & EXPO will take place on Sunday, November 16, 2014, at the Baruch College on the Newman Vertical Campus located at 55 Lexington Avenue at East 24th Street. The conference boasts 75 classes, 45 exhibits plus a directory of products and services, professional education credit, and presentations by UHAB experts. Classes include limiting smoking in cooperatives and condominiums, dealing with difficult residents, helping seniors age in place, and cooperative admissions policy and procedures.

Midwest Association of Housing Cooperatives

MAHC IS CONVENING ITS CERTIFIED COOPERATIVE DIRECTOR (CCD) CLASS on November 15 -16. The Woodbridge Commons Cooperative in Lansing, Mich., is sponsoring the one and one half day class.

The CCD course covers the history of cooperatives, corporate law to ethics in the board room. Additional topics include budgets, audits, financial components, marketing, and managing of the cooperative. Each individual who completes the course and passes the test will be given a certification of completion. The CCD is the only recognized designation and certification specializing in cooperative board members.

In addition, MAHC is planning its annual conference which will take place on the open seas beginning on April 11, 2015. Cruise ports of call will include Ft. Lauderdale, Belize City, Belize, and Cozumel, Mexico.

Potomac Association of Housing Cooperatives

PAHC WILL HOLD ITS NEW AND ADVANCED BOARD MEMBER'S TRAINING WORKSHOP on Saturday, November 8, 2014, at the Benning Road Cooperative, Inc. in Washington, D.C. This workshop will give an overview of director's role and responsibility on serving in the capacity of board member and the fiduciary duties of board members and their responsibilities to members and the cooperative. It will also address the do's and don'ts of a director.

PAHC is also planning its 39th Annual Conference on April 23 - 25, 2015, at the Clarion Resort Fontainebleau Hotel in Ocean City, Maryland. CHB

Tax Credit Cooperative Planned to Revive Neighborhood

The Indiana Housing Finance Authority has awarded South Bend Mutual Homes in South Bend, Ind., $369,000 in tax credits that will generate $3.2 million in equity for an 18-unit single family home cooperative. The work will start next spring.

The project is so unique that the Center for Urban Policy at Indiana University-Purdue University Indianapolis campus will conduct research on the effects of the development on the neighborhood and on the lives of its residents.

Two New Missouri Cooperatives are Designated for Seniors

Real Estate Equity Developments of Eagan, Minn., is developing a 50-unit, three-story cooperative for seniors in Lee's Summit, Missouri, near Kansas City. The company also is taking bids on construction for a cooperative in Shawnee where it has sold about 70 percent of the shares for that project and has completed 21 similar cooperatives in the upper Midwest, mainly in Minnesota, Wisconsin, and Iowa.

Construction can start once 60 percent of the shares sell projected for spring 2015, and city approval is complete. Shares range in cost from $64,000 to $107,000 for an apartment. There is also a monthly fee ranging from about $900 to $1,500 depending on the unit's share price.

Amenities planned include a guest suite for visitors, a fitness center, woodworking shop, garden plots, and a community room with a full kitchen and outdoor deck. Each apartment is to have a balcony or patio. CHB

Airbnb, Others Businesses Violate Cooperative Rental Rules

Web-based vacation rental companies who allow residents to lease out their homes, in part or in full, have become a booming business directly affecting cooperatives. The services provided by Airbnb, HomeAway.com, Vacationrentals.com and Vacation Rentals by Owner (VRBO) violate cooperative restrictions on short-term rentals and on leasing less than all of a unit.

Airbnb has over 500,000 listings in 33,000 cities and 192 countries; HomeAway.com and Vacationrentals.com, over a million in 190 countries, and VRBO, over 1.5 million rentals across 50,000 cities worldwide. To combat the problem of illegal rentals, the San Francisco City Council is considering regulation (licensing).

In New York, a coalition of more than 100 affordable-housing advocates, community groups, elected officials, and others called Share Better are attempting to highlight the impact of illegal hotels via paid media, grassroots organizing, public education, and potential legislative action to counter massive Airbnb spending, and prevent the illegal hotel industry from continuing to violate state law and eliminate scarce affordable housing. In addition, the New York state Attorney General is currently investigating Airbnb for violating short-term rental laws.

Mary Ann Rothman, NAHC board member and executive director of the Council of New York Cooperatives & Condominiums, said she sees a vast difference between owners who truly do serve as "hosts" and supervise their Airbnb guests and the much more serious issue of absent owners whose "guests" or "relatives" inhabit the unit on their own.

In the former situation, she said while not ideal, does enable some individuals to be able to live on in their units where carrying charges might otherwise have become unaffordable to them. She said presumably, in such situations, the cooperative is informed of the 'guests,' and the owner takes responsibility for their observing cooperative rules. The second type of Airbnb scenario violates local laws and cooperative rules. "It causes excessive wear and tear on building elevators, carpets, etc., can disturb neighbors, and cause security breaches."

HUD Consolidates Multifamily Offices from 54 to 12

HUD HAS ANNOUNCED the "second wave" of its transformation of Multifamily Housing (MFH) offices which handle FHA Production and Asset Management of FHA-insured, project-based Section 8 and 202/811 properties. The business model of the MFH Office was created in the 1970s and is ill-suited to handle the 600% increase in business in the last five years.

The transformation is designed to improve and modernize the MFH Office's approach to workload sharing, digitizing property records, using industry best practices in production and asset management and streamlining the organizational structure.

The MFH Office will replace 54 offices with a five-region field structure (South, Southeast, Northeast, Midwest, and West) each with a Regional Center (Fort Worth, Atlanta, New York, Chicago, and San Francisco). Each Regional Center has one or two Satellite Offices, though Asset Management staff from the previous Program Centers or HUBs would stay in place. In the "first wave," non-core office production employees moved to new core offices in accordance with a preference survey.

The "second wave" for the Midwest involves consolidating seven program centers/HUBs in the Midwest area (Chicago, Minneapolis, Detroit, Columbus, Cleveland, Indianapolis, and Milwaukee) into one Midwest region with Chicago as its Regional Center and Minneapolis and Detroit as Satellite Centers. Asset management staff will continue to operate in the previous Program Centers/HUBs.

During the transition, MFH Office in these cities will reallocate some work through workload sharing to different MFH offices or to third-party vendors for both Production and Asset Management. The HUD announcement also describes the process for new applications: they all go to Chicago where they will then be assigned to the Regional Center, Satellite Center(s), or to third-party vendors. Concept meetings will continue to occur in the current Program Centers/HUBs. On the Asset Management side, owners will receive notification of a shift to other locations and no interruption in service is anticipated.

Fannie Mae Modifies Insurance Requirements

IN AN AUGUST 19 BULLETIN to lenders (SEL-2014-15), Fannie Mae clarified and modified some of its insurance requirements. First, Fannie Mae will not require a Building Ordinance endorsement (covering increased costs of reconstruction of older buildings) if the coverage is not available in the marketplace. Also, a previous requirement that cooperatives have rental loss coverage will no longer apply.

With regard to fidelity insurance, Fannie Mae will accept lower coverage if the mortgage lender has independent verification that the cooperative has controls in place as set forth in the Service Guide for loans.

Free Capacity Building Initiative Training

THE COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND (CDFI Fund) announced recently that it will launch a new Capacity Building Initiative training and technical assistance series, *Expanding CDFI Coverage in Underserved Areas*, later this year. The series, presented by Opportunity Finance Network (OFN), will provide specialized training and technical assistance to CDFIs to extend their reach into certain underserved communities in the United States that currently lack a CDFI presence.

The training component of the series will provide capacity building workshops structured to a CDFI's organizational development status. Technical assistance offered through this initiative will be integrated closely to the content of the workshops and will be offered in various formats, including peer cohort formats, webinars, one-on-one technical assistance, and advanced support sessions for CDFIs with specialized and continuing needs. OFN will collaborate with key CDFI industry partners for the delivery of the training and technical assistance.

The CDFI Fund will post upcoming training opportunities to its website, www.cdfifund.gov/cbi, in the coming months. The CDFI Fund will also post to its website a virtual Resource Bank containing curricula and informational materials from the series. For more information about the Capacity Building Initiative or the CDFI Fund's other programs, visit www.cdfifund.gov.

Shared Equity Provides Lasting Benefits in Ohio

A STUDY FUNDED BY THE OHIO HOUSING FINANCE AGENCY (OHFA) examined Cornerstone Corporation for Shared Equity's unique property management system in Cincinnati and found that the program provided substantial benefits not only to Cornerstone residents but to the community as a whole.

Created in 2000 and implemented in three affordable housing communities Cornerstone's Renter Equity℠ program incentivizes renters to fulfill their rental commitments while building financial assets, engaging in community improvement, and maintaining their place of residence. In reciprocation of reduced resident turnover and decreased maintenance-related issues and expenses for property managers, participating residents earn Renter Equity credits, which vest after five years. In addition, residents who fulfill their commitments can borrow against earned credits to cover a financial emergency.

The Corporation for Enterprise Development (CFED), in partnership with the Economics Center at the University of Cincinnati, evaluated the system to determine its effects. Based on the research conducted, the evaluation found that on average, residents participating in the management system stay in the properties five or more years and accumulate more than $2,000 in renter equity credits. In addition, the positive physical and financial benefits for the residents, increased community engagement, and well-maintained properties were viewed as

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beneficial to the surrounding neighborhoods. Participating residents expressed an appreciation for the opportunity to live in attractive and safe properties, the responsiveness of property management, and having a voice in the decision-making processes affecting the resident community.

Cooperatives Perhaps Need a Newer Image

A 2011 RESEARCH STUDY BY CO-OPERATIVES UK found that over 40% of people surveyed in the United Kingdom think of cooperatives as old fashioned. Researchers think this perception may be rooted in two factors:

- lag in embracing technology and social media
- a public face of middle age or older users and leaders.

With regard to public face, the famous photo of the Rochdale Pioneers was actually taken 20 years after the founding. At the time of founding, over half of the Pioneers were under 30 years old and two were teenagers.

Wales Embraces Cooperatives to Meet Affordable Housing Goals

THE WELSH GOVERNMENT HAS COMMITTED to delivering 500 new homes through cooperative housing, as part of achieving its affordable housing target by 2016. Housing is now one of the Welsh government's priorities. There are currently three pioneer projects in Wales supported by the Wales Co-operative Centre with further 17 potential cooperative housing schemes being considered.

As part of the Community Housing Mutual model, membership is open to tenants, families, and local residents. This model is similar to what in England is known as the Community Gateway Model, which enables small-scale communities and cooperative activity within large-scale housing organizations. CHB