

# COOPERATIVE HOUSING QUARTERLY

A member service of the National Association of Housing Cooperatives

Spring 2020

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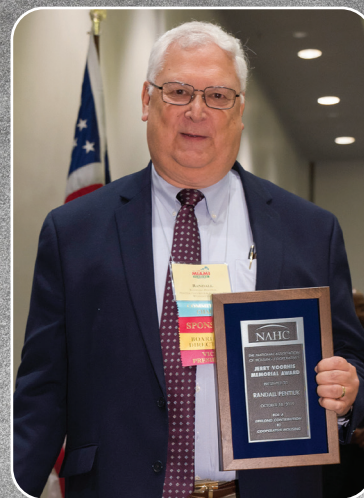
## NAHC Honors Its Vice President with the Jerry Voorhis Award

**B**laine Honeycutt, NAHC executive board member, presented Randall Pentiuk, NAHC vice president, with the Jerry Voorhis Award for his dedication and commitment to the cooperative housing movement. Pentiuk frequently teaches courses at the annual conferences of NAHC and the Midwest Association of Housing Cooperatives (MAHC). He also writes legal articles for its publications. Additionally, Pentiuk is the Michigan vice president for MAHC and has received the organization's C. March Miller II Award for outstanding service.

Pentiuk, a partner of Pentiuk, Couvreur and Kobiljak, PC in Wyandotte, Mich., specializes in representing municipalities and public corporations, housing cooperative law, non-profit entities and business clients. He also publishes the Michigan Cooperative Law Journal, providing timely and informative material to the boards of all housing cooperatives. He has written numerous articles on the subject and three primers, the "Cooperative Law Primer," "100 Ways to Improve Your Cooperative" and "A Primer for New Cooperative Board Members."

Pentiuk is also committed to the ideals of supporting the local community through successful municipal governance, and in this regard serves as legal counsel to the cities of Riverview, Gibraltar, Allen Park, the township of Royal Oak and is special counsel to the city of Taylor. Pentiuk provides legal counsel on various matters, including labor issues, contracts, general litigation, real estate, and election and governance procedure. Pentiuk is a member of the Michigan Association of Municipal Attorneys, the International Municipal Lawyer Association and the National Association of Parliamentarians.

A member of the American Bar Association's Forum on Affordable Housing and Community Development Law, Pentiuk is also a member of the Michigan State Bar's committee dealing with housing cooperatives. He has been named a "Michigan Super Lawyer" and has also



Randall Pentiuk, NAHC vice president

The Jerry Voorhis Award recognizes significant leadership in both theory and practices. NAHC's board created this lifetime achievement award in memory of its namesake. As president of the Cooperative League of the USA, Voorhis was a NAHC founder and a California congressman and author of books on cooperation. A man of integrity, Voorhis believed in and did his best to teach, apply and widen the use of basic cooperative principles.

received the Martindale-Hubbell Client Distinction Award.

In 1981, the State Bar of Michigan admitted Pentiuk. Three years later so did the District of Columbia Bar, and in 1986 the Bar of the United States Supreme Court admitted him. Pentiuk is

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## COOPERATIVE HOUSING QUARTERLY

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Issues of the *Cooperative Housing Quarterly* are devoted to matters of interest to boards and members of Housing Cooperatives and concerned professionals. All NAHC Associations and Members should advise their memberships on how to get and download CHQs when published.

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Address inquiries, manuscripts, news items and responses to the Editor at NAHC, email [info@nahc.coop](mailto:info@nahc.coop). For reprint permission, advertisements and other business matters contact NAHC, 1120 20th Street, NW, Suite 750, Washington, DC 20036-3441, [www.NAHC.coop](http://www.NAHC.coop).

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ISSN 0097-9759



### 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
FNHYC	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

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**RCM Board of Governors** – Carlos Aznar, Gregory J. Carlson, Kathy Sinicropi, and Kimalee Williams

For addresses of all associations and committees, please email [info@nahc.coop](mailto:info@nahc.coop).

### About Bostrom

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



**Fred Gibbs**  
President

## The Housing Cooperative Advantage: Membership has Privileges

By Fred Gibbs

**THE U.S. CENSUS BUREAU** reported an annual rental population of nearly 31 percent in 2019. While there is an overwhelming number of homeowners in America, the rental population seems to be disproportionally concentrated in densely populated metropolitan areas and accounts for millions of households. Prices and availability have become major impediments to families seeking housing in our country. Profit motivated development of housing stock continues to exacerbate the problem. Those in the know understand well-run housing cooperatives are the most economical solution to this ever-growing problem.

Housing cooperatives have a unique advantage over other forms of housing. Simply put, membership is ownership. Unlike the rental option, a member in a housing cooperative can exercise and enjoy ownership privileges. Unfortunately, based on informal surveys of the National Association of Housing Cooperatives (NAHC) participating cooperatives, it is apparent that many cooperative members don't actually share this perspective of ownership through their cooperative membership and therefore occupy just like a renter would although they are enjoying all the economic benefits the cooperative provides. These households have chosen to relinquish the control of their housing communities by failing to become engaged in the process of cooperative governance. In many cases, these members have complaints about how the community is run, using phrases that begin with the word, "They," assuming governance is the job of a select few or that of management. However, individual member engagement is essential to the success of a housing cooperative.

Too often we hear reports of cooperatives that seem to have problems with finances, voting rights, membership transfer procedures, management conflicts and limited knowledge of the governing documents. These challenges result in an atmosphere of mistrust and suspicion and a lack of transparency. Cooperatives that find themselves at this place must take steps to right the ship. However, they must assess their operation to determine where the problems lie, then take the necessary steps to correct those issues. Here is a five-step approach cooperative members can adopt.

**1] GET INVOLVED.** It is a widely held misconception that one must be a board member in order to work in the cooperative and effect change. This is not true. The member should seek to volunteer on committees, find areas of interest and start new projects or volunteer to review work by others in the cooperative.

**2] UNDERSTAND YOUR COOPERATIVE.** Most cooperative members fail to read and understand the bylaws and other governing documents until there is a problem. Study your governing documents. Convene informal study sessions with

other members. Involve management or your legal counsel if you have difficulty understanding key provisions. At every cooperative event have a session on governing documents to keep members up-to-date. Establish a committee charged with monitoring local laws that effect your cooperative and its governance structure. This committee will report quarterly with the aim at keeping your documents fresh and relevant.

**3] UNDERSTAND THE SCOPE OF WORK OF YOUR PROFESSIONALS.** All too common is the expectation that one of your hired professionals should have taken care of an item that was not included in their scope of work. Review your service contracts to test the scope of work against the needs of your cooperative. If you find gaps, amend those agreements. This work should be a collaborative effort between the cooperative and the professional. Everyone is better served when expectations are realistic and documented.

**4] ASSIGN THE RIGHT PEOPLE.** Committee assignments in the cooperative should fit the skill set of the volunteering member. The cooperative would benefit from having clear committee job descriptions. Get to know each member and their skills so you can achieve the most appropriate match. This task can be done through strong social interactions. Conversations with members will often reveal skills and interest that would have gone unnoticed.

**5] MEASURE YOUR PROGRESS.** Tasks that are measured regularly usually get completed. Evaluating the operations of the cooperative is critical. There should be tools in place to evaluate the effectiveness of each project, volunteer and professional. These evaluations should be structured to get the best out of each person, not as a punitive tool to highlight deficiencies. Find out what works best and do more of that.

The privileges of membership will be readily realized as your cooperative becomes more successful. Your community will become the most desired housing location in your area, and members will get the word out. Your waitlist will be filled with motivated applicants. The political and social effectiveness of your community will be realized by each member, and they will want to become engaged. When was the last time you experienced greater than 50 percent-member participation at your cooperative for an event that wasn't a gripe session? You can turn that around. Start now.

Your cooperative offers you the opportunity to learn a great deal about what it takes to keep your cooperative afloat. It offers you the ability to learn how to be a contributor and leader in your community. It is a democratic experience where it counts, your home. [CHQ](#)



### Ad Hoc Membership Sales Committee

**THE COMMITTEE** has been conducting outreach for the Cooperative Membership Sales Program via e-blasts to professionals and contacts with cooperative publications for possible additional venues to promote the program. Other measures involve sending a promotional letter to those in the NAHC database, including Registered Cooperative Managers and asking management companies to talk about this program and NAHC's tools, educational courses and networking capabilities.

The committee promoted the program regionally at many of NAHC's member regional conferences and requested NAHC conference trainers and class facilitators to mention the program during their classes.

Karen Harvey, committee chair, also is reaching out to veterans via a radio show and participating at veterans' functions to educate people on housing cooperatives and their benefits.

### Communications Committee

**THE COMMUNICATIONS COMMITTEE** enjoys the contribution of several seasoned housing cooperative experts who continue to support NAHC with their varied backgrounds in cooperative housing.

Further, the committee resolved that the *Cooperative Housing Quarterly* (CHQ) and the NAHC website are the only two forms of communication to the public; therefore, the committee proposed for 2020, that NAHC reintroduce the fourth edition of the CHQ and reallocate the budgeted funds for the *Cooperative Housing Journal* (CHJ) to support the cost.

The committee also proposed the board authorize the solicitation of sponsorship of the CHJ from the NAHC professional members. The sponsorship would fully cover the cost of the CHJ.

Finally, the committee supported a \$350 financial request for general updates to website and blog. [CHQ](#)

## The NAHC Cooperative Membership Sales Program

The NAHC Cooperative Membership Sales Program is your ticket to reaching potential members for your housing cooperative with the help of the National Association of Housing Cooperatives (NAHC).



Whether a potential member is moving to another part of the country or looking into cooperative housing for the first time, they can filter their search results. That's where NAHC comes in.

Your available housing cooperative unit(s) will appear in the property search of NAHC's online directory on the website with up to seven photos and a 150-word description.

NAHC will also promote your listing in upcoming newsletters, social posts and promotional emails to NAHC's contact database at no additional cost.

Getting started is simple. Check NAHC out and complete your listing. If you have any questions, feel free to contact Karen Harvey or the NAHC office. NAHC is here to help!

### ► Jerry Voorhis Award [continued from page 1]

also admitted to practice before all of the federal district courts in Michigan, as well as the Sixth Circuit Court of Appeals. He worked as a research attorney for the Michigan Court of Appeals in 1981. After serving at the Court of Appeals, Pentiuk entered private practice and formed his own firm in 1989.

Pentiuk earned his juris doctorate degree, magna cum laude, from the Detroit College of Law in 1981 where he served as an editor on law review while working full time as a computer programmer for the Ford Motor Company. Pentiuk earned his bachelor of science in business administration with distinction from Wayne State University in 1976 where he majored in accounting and minored in finance.

In 1981, he was elected to the board of directors of the Detroit Rescue Mission Ministries, an inner-city ministry employing over 200 staff with a budget of over \$21 million and serves as its chairman. During 2006, he also served as its acting president during a search for its chief executive officer. [CHQ](#)



# NAHC's 59<sup>th</sup> Conference Shines for the Future of Cooperatives

Dynamic and graceful dancers kicked off the 59<sup>th</sup> annual conference of the National Association of Housing Cooperatives (NAHC) during the opening reception in Miami, Fla.

**M**ore than 400 people, including 83 first-time attendees, learned more about cooperatives. Members had the opportunity to choose from 37 courses organized on six tracks of study, one designated for Registered Cooperative Managers.

Speaking of learning, the 2019 Education Endowment Grant recipient was Demetria Lindsey of Seabury Housing Cooperative in New Haven, Conn. The fund enables a member of a cooperative that is experiencing financial hardship to attend the NAHC annual conference and gain the education and training from the programming to help improve their cooperative's financial status. The fund covers the cost of the member's conference registration, air travel, hotel expenses and per diem for food and beverage expenses.

Fun included the Strut Your Stuff luncheon. Participants danced to lively tunes by Dolly Parton and Aretha Franklin and other stars. Cooperators of High Park Gardens in Newark, N.J. wore matching cooperative rainbow tie-dyed t-shirts. The soles of their white shoes and the trims on their white baseball caps lit up in colors of the rainbow. Members from Warren Gardens Cooperative in Roxbury, Mass., donned coat-length camouflaged shirt dresses emblazoned with the cooperative's name.

Attendees also had the opportunity to visit many exhibitors: Alliance Association Bank, CSI Support & Development, Kirkpatrick Management Company, Legacy, LLC, Lowe's ProServices, Midwest Association of Housing Cooperatives, MRI Software, NAHC, NCB, New Views for Non-Profit Housing, Realty & Mortgage Company and Walker & Dunlop.

NAHC thanks its sponsors: Centennial Mortgage, Economic Consultants for Housing Opportunities, Inc., Marcus Management, NCB, Pentiuik,

**Members from Warren Gardens Cooperative in Roxbury, Mass., wear their matching coat-length camouflaged shirt dresses emblazoned with the cooperative's name.**



Couvreur & Kobiljak, P.C. and Sustainable Opportunities for Life & Dreams.

This November NAHC will celebrate its 60<sup>th</sup> annual conference at the Hilton Portland Downtown in Portland, Ore. Registration opens in late May. [CHQ](#)

**Keynote speaker Miles Nowlin, cooperative development specialist, at the ROC Northwest Network discusses how housing justice is cooperative.**



**Demetria Lindsey of Seabury Housing Cooperative in New Haven, Conn. speaks about being the 2019 Education Endowment Grant recipient as Linda Brockway, member services committee chair, looks on.**



**Members dance the night away with dynamic and colorful dancers at the opening reception of the annual conference of the National Association of Housing Cooperatives (NAHC) in Miami, Fla.**

**Members had the opportunity to choose from 37 courses organized on six tracks of study, one designated for Registered Cooperative Managers.**





## MEMBER RECOGNITION



**Roger Willcox President's Award Recipient Karen Harvey shares a moment with President Fred Gibbs.**

### NAHC Board Secretary Receives the Roger Willcox President's Award

**NAHC** President Fred Gibbs named Karen Harvey, NAHC secretary, as the recipient of the Roger Willcox President's Award. Harvey serves on several NAHC committees and facilitates courses at the annual conference.

Harvey also is a board member of the Midwest Association of Housing Cooperative (MAHC) and works on many of its committees. She, along with other board members at Concord Consumer Housing Cooperative in Trenton, Mich., is a recipient of MAHC's Herman

E. Curtis Co-oper of the Year and Solidarity awards and NAHC's Cooperative Star Award.

A licensed realtor with a passion for cooperative housing, Harvey is a Certified Cooperative Specialist, Registered Cooperative Manager, Certified Housing and Urban Development Fair Housing Specialist and a Certified Occupancy Specialist.

Harvey has been a member of her cooperative for 22 years and served as secretary for 12 years with three years as both secretary and treasurer. Currently, she is the writer and editor of the newsletter, *Concord Chronicles* and a community volunteer.

The Roger Willcox President's Award recognizes individuals, selected by NAHC's president, who have made significant contributions to NAHC and the cooperative housing movement.



**RCM Chair Carlos Aznar (left) presents Chairman Greg Carlson with the Ida Curtis Fisher RCM Award.**

### RCM Board Honors NAHC Board Chair with the Ida Curtis Fisher RCM Award

**CARLOS AZNAR**, Registered Cooperative Manager (RCM) chair, presented NAHC board chair Greg Carlson with the Ida Curtis Fisher RCM of the Year Award.

Carlson serves as chair emeritus of the RCM board. His work on that board began in the late 1990s where he served as chair for more than 20 years. Under Carlson's leadership, RCM revitalized its program

and established the very award for which he is honored.

"I was truly surprised by this award, but it belongs to my fellow board members and RCMs."

In addition to the role he plays at NAHC, Carlson is chair of the Registered in Apartment Management program for the National Association of Builders and Owners. He serves as treasurer of the Council of New York Cooperatives and Condominiums and is executive director of the Federation of New York Housing Cooperatives and Condominiums.

The Ida Curtis Fisher RCM of the Year Award honors the RCM who has demonstrated outstanding dedication by devoting time, energy and talent to the RCM program and the national cooperative housing industry. The RCM board established the award in 2013 in memory of Fisher, one of the three founding members of the RCM program and her efforts and devotion to the cooperative housing community.

### 21 Members Become Registered Cooperative Managers; 12 Renew

**TWENTY-ONE MEMBERS** successfully completed the Registered Cooperative Managers (RCM) Program, an increase of 10 RCMs from last year. The following are the new RCMs who received their certificates and pins:

Gloria Arnold, DWilliams Management Group, LLC, Stone Mountain, Ga.; Denise Barr, Banneker Homes, San Francisco, Calif.; Mary Bunce, Multifamily Management



**Renewed RCMs display their certificates.**



**New RCMs show off their certificates.**

Services, Huntington Station, N.Y.; Christina Carey, Southwood Cooperative, Inc., Indianapolis, Ind.; Migdalia DeJesus, United Housing Management, Dorchester, Mass.; Jeniece DeShield, Warren Gardens Housing Cooperative, Roxbury, Mass.; Michelle Flannery, Kirkpatrick Management Company, Indianapolis; Michelle Holmes, Wellesley Townhouses Cooperative, Romulus, Mich.; Luciana Jackson, Park Forest Cooperative Birch Street

Townhomes, Park Forest, Ill.; Thane Joyal, Columinate, Syracuse, N.Y.; Ebonie McNeal, River Oaks Towne Houses Cooperative, Dolton, Ill.; Jamesetta Musgrove, Oxford Village Townhouses, Inc., Atlanta, Ga.; Latrieda Oliver, Lakeview East Cooperative, Chicago, Ill.; Adam Petercsak, Beecher Cooperative, Washington, D.C.; Shirley Robert, Michigan Shores Cooperative, Frankfort, Mich.; Idayat Salami and Donna Thomas-Martinez, Warren Gardens Housing Cooperative, Boston, Mass.; Kelly Wegner, Williamsburg Townhouses, Saint Clair Shores, Mich.; Tammie Williams, Mayfield Green Cooperative, Indianapolis; Sasha Zayas, Warren Gardens Housing Co-op; and Terefe Zeleke, Loren, Miller Homes Corp., San Francisco.

Twelve RCMs, eight more than the last conference, also passed the ethics course and received certificates. They were: Earlene Arthurs, Surrey Co-op Apartments, Bronx, N.Y.; Peter Condich, 820 West Belle Plaine Cooperative, Chicago; Belinda Darden, Florin Gardens Cooperative, Sacramento; Dylan Day, Mayflower Townhouse Cooperative, Farmington Hills, Mich.; Hannah Diggs, Reservoir Hill Mutual Homes, Inc., Baltimore; Karen Harvey, Concord Consumer, Browntown, Mich.; Tashena Johnson, Realty & Mortgage Company, Chicago; Tara Schnarr-Rojo, Southgate Town & Terrace Homes Inc., Sacramento; Mimi Tefera, Reservoir Hill Mutual Homes, Inc., Baltimore; Hope L. Turner, Concord Consumer; Akua Warren, Florin Gardens Cooperative East #1, Inc.; and Mary Ann Wilkinson, Townhouse Green Clinton Township, Mich.

### Michigan Cooperative for Seniors Wins Star Award

**LINDA BROCKWAY**, chair of the Member Services Committee, presented Karen Braunscheidel, CSI Support & Development national education manager with the Cooperative Star Award on behalf of Barton Towers Co-op in Royal Oak, Mich. The cooperative is a 15-story, 210-unit senior community for affordable living ages 62 and over with limited underage apartments for mobility impaired members.

Barton Towers, completed in 1983 and recently remodeled, is nationally recognized as "A Community of Quality" by the National Affordable Housing Management Association. The cooperative is gradually transforming into a 100 percent smoke-free cooperative.

The Cooperative Star Award recognizes a cooperative that displays sound leadership and management and creates a

particular value for its members. The cooperative has systems in place to assure preservation of their members' interests. Eligible cooperatives honor the basic principles of cooperative housing, certify that systems are in place to provide safe, sound and valuable housing and protect the interests of their members.

### Illinois Cooperator Garners the Distinguished Service Award

**LINDA BROCKWAY**, NAHC member services committee chair, presented Arthur Slater of Harper Square Cooperative in Chicago, Ill., with the Cooperative Distinguished Service Award.



**Arthur Slater of Harper Square Cooperative in Chicago, Ill., accepts the 2019 Cooperative Distinguished Service Award.**

Slater has been a member of Harper Square for more than 30 years and cooperative president for about 27 years. He is the current board liaison to the building and grounds committee and has led the cooperative through a successful refinancing process which resulted in the completion of more than 20 million dollars in capital improvement projects. Slater has also taken a front seat to an eight-car elevator renovation, a lobby renovation and also a corridor remodel. He is active

in the community working closely with the neighborhood Chicago Alternative Policing Strategy, the alderman, and other elected officials.

Slater continues to work tirelessly to ensure that the Harper Square Cooperative remains productive, financially successful and progressive. If asked by any member of Harper Square, they will validate his hard work and professionalism. It is with great pleasure to say that you have been afforded the privilege of working alongside of Slater.

The Cooperative Distinguished Service Award recognizes outstanding service to cooperative housing and the achievement and contribution of a cooperative member who helped a cooperative or association of cooperatives to better serve its members.

### Michigan Cooperative Earns the Development, Preservation Award

**HUGH JEFFERS**, chair of the Development and Preservation Committee, presented Adam Hussain, board member of Colonial Townhouses in Lansing, Mich., with the Development and Preservation Award.

The award recognizes individuals or cooperatives that demonstrate excellence in the development of new cooperatives or the preservation of existing ones. While in the past the award has focused on construction and



**Members of Barton Towers Co-op in Royal Oak, Mich., proudly showcase its Cooperative Star Award.**

Continued on page 9 >





# Legal Workshops are Popular with Conference Goers

By Randall Penttiuk, ESQ.

For many years, my legal team, April Gallup and Creighton Gallup, and I have presented various classes to board members and management alike, on the legal issues facing cooperatives.

**F**or the Registered Cooperative Manager (RCM) track, there was “Legal Issues for Management.” This class presented a number of hot issues including the fiduciary responsibilities of management agents to their cooperative clients, how to select and recommend cooperative attorney candidates to cooperative boards, mold and mold litigation, fair housing, dwelling unit alterations, e-security and other topics routinely faced by cooperative management agents. Additionally, the class reviewed management contractual agreements and what to include in order to protect not only management but their clients. The class also covered requests for proposals and request for quotation, how to write them and how to make sure the lowest responsive, responsible bidder is contracted to perform so cooperative clients are adequately protected. Discussion moved on to document retention policies and what needs to be saved and what can be tossed (after a certain period of time) and what documents must be made available in the event a member makes a corporate records request. There was even discussion on adopting and enforcing house rules for cooperatives and the perils of security cameras for cooperatives and members alike.

In addition to instructing in the NAHC RCM Track, my attorneys and I presented the “Legal Update for Housing Cooperatives,” “Legal Landmines for Board Members” and the “Attorney Roundtable” courses. The “Legal Update for Housing Cooperatives” covered a number of topics that cooperatives are facing more frequently. For this year’s “Legal Update,” however, things were changed up bit from prior years, and the class was made far more interactive. Class attendees were advised to pay close attention because there was going to be a quiz at the end and that was no joke. Attendees were given a short test asking them to identify “Who Does What?” in the cooperative business setting.

The “Legal Update” topics included board ethics, personal liability of board members, marijuana, member-initiated meetings, meeting minutes and written resolutions and business judgment rule. These are important topics for board members. Some classes exist devoted to meeting minutes and even board ethics, but none of these classes are presented

by a cooperative attorney who can give a clear what to do and what not to do answer to these topics. The business judgment rule discussion helps the board learn what makes a board decision a good decision and what makes a bad one that could expose a board member to personal liability outside the protections of the cooperative insurances.

For the new “Legal Landmines” class, the presentation included not only new and emerging hot topics impacting cooperative boards but for each topic, there was a fact scenario presented to the class attendees, like a mini-law school exam question. Each fact scenario gave a detailed synopsis of a topic impacting today’s cooperative boards and momentarily placed the class attendees in the shoes of the attorney to engage critical thinking. Class attendees actively participated in question and answer sessions involving each fact scenario before delving into the course material. Some of the topics included member admission interview questions, secondhand smoke and smoking bans in cooperatives, alteration agreements and enforcement issues, subletting, assistive animals and accommodations, corporate records review requests and directors who behave badly. You would be surprised how many times asking personal questions during member interviews will land the board and the cooperative in hot Federal Housing Administration water. “Legal Landmines” was an opportunity for board members to not only learn from fact scenarios but be able to apply what was learned going forward and, most importantly, know when to talk to the cooperative attorney first.

The “Attorney Roundtable,” a class traditionally designed for participants to sit down with experienced cooperative attorneys and ask questions about any topic, also received a bit of a face-lift for the fall conference. For this class, we opened with an extended fact scenario involving cooperative legal issues that literally read like a good thriller and to get the questions started from the class attendees. Presented in an informal setting, the “Attorney Roundtable” is the chance to ask a question from an experienced legal professional without judgment but with a chance to get an answer and maybe a recommendation to take back to the cooperative attorney. [CHQ](#)



Randall Penttiuk is a partner of Penttiuk, Couvreur and Kobilijak, PC in Wyandotte, Mich.

## The Cooperative Development Foundation Announces the 2020 Cooperative Hall of Fame Inductees

**FOUR OUTSTANDING** cooperative leaders will receive the cooperative community's most prestigious honor on May 7, 2020, when they are inducted into the Cooperative Hall of Fame at the National Press Club in Washington, D.C.

The inductees are: Ben Burkett, State Coordinator, Mississippi Association of Cooperatives; Everett M. Dobrinski, former Board Chair, CoBank; Carmen Huertas-Noble, Professor, City University of New York School of Law; and Michael Mercer, CEO, League of Southeastern Credit Unions & Affiliates.

Burkett, a fourth-generation farmer from Petal, Miss., graduated from Alcorn State University. He has served with the Federation of Southern Cooperatives, the Indian Springs Farmers Association, the Emergency Land Fund and on U.S. Department of Agriculture's Farm Service Agency Committee for Mississippi. Burkett's service in various food advocacy organizations include the National Family Farm Coalition, La Via Campesina's Food Sovereignty Commission, the Rural Coalition and the Community Food Security Coalition. His expertise has taken him to Africa, South America and Southeast Asia where he shared his knowledge of small-scale agriculture and the power of cooperatives. He also won the James Beard award in 2014.

Dobrinski, a third-generation grain and oilseed farmer, was board chair of Verendrye Electric Cooperative, an advisory board member of the Quentin Burdick Center for Cooperatives at North Dakota State University and a former member of the North Dakota House of Representatives. He also served as board chair of CoBank Board of Directors and a board member of the Farm Credit Council. He led the merger between CoBank and U.S. Ag Bank so that there would be greater opportunities to support rural America. Dobrinski has been a recipient of numerous prestigious awards such as the North Dakota

Association of Rural Electric Cooperative's Cooperative Leadership Award and the National Council of Farmer Cooperatives Director of the Year Award.

Huertas-Noble, a Fordham University Law School graduate and tenured professor at City University of New York (CUNY) School of Law, has served as a senior staff attorney in the Community Development Project of the Urban Justice Center and founding director of the Community & Economic Development Clinic at CUNY School of Law. She is also cofounder of 1worker 1vote, a 501(c)(3) that facilitates the creation of a network of worker cooperatives. In New York, her work has played a key role in the passage of legislation, including S6794 in New York State which expands education law to provide employer skill-training grants to cooperatives and S6855 that amends New York's Urban Development Corporation Act and the economic development law to allow small, converted worker cooperatives to apply for assistance from the Economic Development Fund.

Mercer is CEO of the League of Southeastern Credit Unions & Affiliates, a merger of the Alabama, Florida and Georgia credit union leagues serving 342 credit unions with over 10 million members. Mercer has chaired the Credit Union National Association Board and the American Association of Credit Union Leagues (AACUL) and the board of the National Cooperative Bank. Mercer is credited with securing the support for the Credit Union Membership Access Act from then Speaker of the House Newt Gingrich and instrumental in the creation and implementation of the Poland-Georgia Credit Union Partnership Program over 25 years ago. Mercer has received the AACUL Eagle Award, Georgia Lifetime Achievement Award, the Herb Wegner Memorial Lifetime Achievement Award and the National Cooperative Bank Stan Dreyer Spirit of Cooperation Award. [CHQ](#)

### MEMBER RECOGNITION

[continued from page 7]

rehabilitation, it also recognizes other improvements cooperatives have undertaken that positively impact members' lives.

Colonial Townhouses is making such improvements. It coordinates with the local electricity provider to replace less efficient light bulbs with light-emitting diodes (LED). Using LEDs in common areas has saved the cooperative on average \$250 a month. In addition, the city and Re-Leaf Michigan have given the cooperative grants to plant new trees, and the cooperative provides free flowers to members. These initiatives have



made the cooperative greener and more beautiful. As a result, Colonial Townhouses recently received the Environmental Pillar Stewardship Award for air quality. These green initiatives have greatly enhanced and improved the environment and the lives of the cooperative's members. [CHQ](#)

**Hugh Jeffers, (right) chair of the Development and Preservation Committee, presents Adam Hussain, board member of Colonial Townhouses in Lansing, Mich., with the Development and Preservation Award.**



## Membership Re-elects NAHC Members

At the October 2019 Annual Meeting of Members, the membership re-elected Karen Harvey, Hope Turner, Ralph Marcus, Blaine Honeycutt, and Hugh Jeffers for three-year terms. The board appointed Kimberly Marcus for a one-year term to fill a vacant board seat.

**H**arvey and Turner are members of Concord Consumer Housing Cooperative in Brownstown, Mich. Ralph Marcus is chief executive officer of Marcus Management Company in Farmington Hills, Mich. Honeycutt is president of Georgetown Place Cooperative in Taylor, Mich. Jeffers is vice president of origination at Centennial Mortgage in South Bend, Ind. Kim Marcus is chief operating officer of Marcus Management Company.

During the meeting, the members approved last year's minutes and heard officers' and committee reports. The member associations appointed board members: California Association of Housing Cooperatives, Norma Coignet Brown; Cooperative Housing Association of New England, Kimalee Williams; Council of New York Cooperatives & Condominiums, Mary Ann Rothman and Leon Geoxavier; CSI Support and Development Services, Rillar McDonald and Seretha Morton; Federation of New York Housing Cooperatives and Condominiums, Greg Carlson;

Midwest Association of Housing Cooperatives, Randall Pentiuk and Kathy Sinicropi; New Jersey Federation of Housing Cooperatives, Donna Marie Curvin; and Potomac Association of Housing Cooperatives, Anne Hill.

### Board Elects Officers

After the officers' meeting the board convened its organizational meeting and re-elected officers: Greg Carlson, owner of Carlson Realty, Inc., Forest Hills, N.Y., as chairman; Fred Gibbs, owner of FK Gibbs Company in Kansas City, Mo., as president; Randall Pentiuk, partner of Pentiuk, Couvreur and Kobiljak, PC in Wyandotte, Mich., as vice president; Harvey as secretary; Turner as assistant secretary; and Ralph Marcus as treasurer. The board also elected to the Executive Committee Aletha Davis of United Winthrop Tower in Chicago, Honeycutt, Ruthie Wilder of Reservoir Hill Mutual Homes in Baltimore and Williams of Faith Asset Management, LLC in Hartford, Conn. [CHQ](#)

## Interested in Running for the NAHC Board?

Five three-year positions on the NAHC board will be up for election at the November Annual Meeting of Members on November 7, 2020. The following individuals' terms expire in 2020: Carlos Aznar, Aletha Davis, Fred Gibbs, Kim Marcus and Ruthie Wilder.

According to NAHC's bylaws, to be eligible to be elected, a candidate must be: a representative of a housing cooperative that is either a direct member or a member through a member association, an individual member or a designated

representative of a member firm or organization.

Candidate information packets and nominating petitions may be obtained from the NAHC office mid-July by calling (202) 737-0797 or emailing [info@nahc.coop](mailto:info@nahc.coop). The final deadline for submission of signed petitions is 5:00 p.m., Thursday, November 5, 2020. If your petition is received by August 14, 2020, NAHC will include your candidate's statement and photograph in the fall issue of the Cooperative Housing Quarterly.

Those who are eligible for election will be given an opportunity to speak to the membership at the candidates' night prior to the caucuses during the annual conference convening at the Hilton Portland Downtown in Portland, Ore. The candidate may designate a representative to speak on his or her behalf if the candidate is not able to attend.

If you think you might run for the board, volunteer to one or more committees that you might gain more knowledge about NAHC.



### Council of New York Cooperatives & Condominiums (CNYC)

**THE CNYC** held its 39th Annual Housing Conference on Sunday, November 17, 2019 in the headquarters of Local 32BJ of the Building Service Employees International Union in Manhattan, whose members staff many of the cooperatives and condominiums in New York City and beyond.

Eighty-four attorneys, accountants, government officials, property managers, board members and leaders of sister organizations taught 58 classes. They volunteered their time and expertise to help the conference registrants learn more about operating their buildings, complying with all applicable laws and, at the same time, creating a cohesive community for the resident owners of the cooperative or condominium.

Once again, NAHC's chairman Greg Carlson and a delegation from NAHC member, St. Joseph's Community located in the Boston area, and a number of other attendees from sister organizations participated.

Energy classes were particularly popular this year—due in part to recent laws mandating significant reduction in the carbon footprint for many larger buildings in the city—but also a reflection of the growing awareness of the shared responsibility to protect the future of the planet.

Attendance was also high in classes updating laws and rules applicable to New York cooperatives and condominiums and in CNYC President Marc Luxemburg's annual review of "Significant Legal Decisions of the Year."

Continuing legal education credit was granted to attorneys in seven of the classes, and accountants were able to receive continuing professional education credit in five of them.

The exhibit hall had tables for the N.Y. fire and police departments and its Office of Emergency Management, as well as many other government agencies, along with many vendors of products and services, law firms and management companies. The exhibit hall is always popular with conference participants, but this year, the Exhibit Hall Bingo Game sponsored by *Habitat Magazine* made it even more so. Participants needed to get a certain number of exhibitors to stamp their bingo cards to qualify for gift card drawings.

At the informal reception that always ends the day, Manhattan Borough President Gale Arnot Brewer spoke lovely words of praise for CNYC. Two additional guests gave brief but rousing presentations, City council member Ben Kallos, who will run next year for Manhattan Borough president and retired Brigadier General Dr. Loree Sutton, who is a candidate for New York City mayor.

CNYC is already planning its 40th Annual Housing Conference, which will take place on Sunday, November 15, 2020, at the same Manhattan location. As always, members of sister organizations such as NAHC are welcome to attend at the modest CNYC member rates.

### Federation of New York Housing Cooperatives (Federation)

**THE FEDERATION** is collaborating with other cooperative organizations to combat the unintended consequences of New York State's new rent regulations. The governor of New York unfortunately vetoed the reverse mortgage legislation. Along with CNYC, the Federation will work with city council to try to get this legislation passed in 2020.

In addition, there are a number of New York state and New York City legislative proposals that would adversely affect cooperatives. Recently, Nassau County passed its Time Frame bill, which has a timetable for processing an application for entrance to a cooperative. This emboldened legislators in both New York state and City to consider legislation that would infringe on the right of cooperatives to manage themselves.

The Federation also conducts several "Basic Co-op 101" courses together with our sister organization, CNYC. The next offering is this spring.

### Midwest Association of Housing Cooperatives (MAHC)

**MAHC** has moved to a larger location. The new address is 10882 Beech-Daly Rd., Taylor, MI 48180. MAHC also has added a marketing coordinator, Ben Sanders, to its staff. Sanders is working directly with MAHC professional members and will be in contact with cooperative members and partners.

Representing 29,250 member units nationwide (89,742 people living in cooperatives), this year MAHC will work to provide improved education, training and services to its members. At its annual conference in Denver, Col., May 16 – 21, MAHC will address many of the complex issues related to cooperative living including finance, legal, business operations and other pertinent matters.

Participants also will have an opportunity to network with more than 300 attendees. These attendees will include many of the leading professionals in the cooperative movement. More than 20 vendors will also be available to share information with MAHC members.

Additionally, MAHC has updated its website and will feature cooperatives and professionals. Cooperatives will be listed both alphabetically and by location. In addition, cooperatives are invited to send information and photographs to set up their own page on the MAHC website.

### Potomac Association of Housing Cooperatives

**FIFTY-SEVEN** participants representing 11 cooperatives from Maryland, Washington, D.C. and Virginia attended PAHC's fall workshop on November 9, 2019 at Village Green Mutual Homes in Hyattsville, Md. PAHC President Annie Hill's presentation, "Who Does What/Knowing Your Role" sparked an invigorating discussion among cooperative members. Vernon Oakes of Oakes Management followed with "Management of a Cooperative," and afterward answered questions. The day concluded with a board of directors' meeting.

PAHC will hold its 2020 annual conference at Dover Downs Hotel & Casino in Dover, Del., April 23-25, 2020. [CHQ](#)

BOARD TRAINING SEMINAR

# ROLES, RISKS & REWARDS

## *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!

### Who should participate?

Housing cooperative board members, management and anyone interested in cooperative governance.

Download the information sheet and complete the application available on the NAHC website. Contact the NAHC office with any questions via [info@nahc.coop](mailto:info@nahc.coop) or phone at 202.727.0797.

## COOPERATIVE DEVELOPMENT

### N.H. residents Purchase Manufactured-home Park in Franconia

**HOMEOWNERS** in Fox Hill Lane Mobile Home Park have purchased their 39-unit manufactured-home park, making it New Hampshire's 132nd resident-owned community (ROC).

Using training and technical assistance from the New Hampshire Community Loan Fund's ROC-NH™ team, homeowners organized and formed Fox Hill Cooperative, Inc. last September. The cooperative then negotiated with the park's owner, reached a \$725,000 purchase price and finalized the deal January 29 with a mortgage from the Community Loan Fund.

Cooperative ownership means Fox Hill's homeowners are now eligible for products and services, including long-term mortgages, that haven't been available to them. Studies show that the availability



**Fox Hill Cooperative President Edward Peterson and Operations Director Victoria Staunches celebrate the purchase of their community, flanked by ROC-NH's Zachery Palmer, far left, and Tyler Labrie, far right. Photo credit: Courtesy NH Community Loan Fund**

of home financing, when the land is secure, improves the home's value, the owner's ability to make improvements and overall housing affordability.

The more-than-8,100 homeowners in New Hampshire's ROCs, spread across every county, also have access to management guidance, technical assistance and leadership trainings in which they earn college credit.

For 36 years, the Community Loan Fund has worked in towns and cities across N.H. to connect people and families with the loans, training and advice that allow them to have affordable homes, secure jobs and quality child care and become economically stable. [CHQ](#)



# Is My Cooperative in Trouble?

By Hugh Jeffers



A problem in some cooperatives is the boards do not treat the operations and management of their cooperative like a business. While the cooperative structure is a home and a community, it is also the primary asset of a corporation that needs to be managed. The “asset” needs to be kept in good working order to generate the revenue needed to operate. Allowing that asset to fall into disrepair or to be mismanaged will result in lost revenue, which may in turn jeopardize the cooperative’s ability to provide a home and community for its members. In simplest terms, there is a natural reluctance to raise your own “rent” affecting your personal finances, even though it may be necessary to maintain the viability of the cooperative business and result in a savings in the long run.

**M**inor problems can become big problems with big consequences. For instance, leaky pipes may seem like a small problem, but they can have a severe financial impact. They result in higher water bills but also can be the source of significant mold problems. Mold remediation can be very expensive. Low water pressure can be a sign of a need to replace the main water supply lines to your property, also an expensive undertaking. Buckled sidewalks result in tripping hazards. These hazards can result in lawsuits against the cooperative. These are just a few examples of seemingly small problems resulting in larger more expensive issues.

Management and financial tracking are also critical with their own subset of issues that can result in larger problems down the road. An uptick in delinquencies can be a sign of lack of oversight. Worse yet, it could also be a sign of a slowing economy which may impact a greater majority of members’ ability to pay their monthly charges. Cooperatives need to look at macro issues such as this and plan accordingly. Many cooperatives actually have a plan to help members during an economic downturn. These plans may include hardship reserves to help members who need it, contingency reserves and expense reviews to ensure your cooperative is spending money where it needs to and not in areas that can be deferred during the recession.

For U.S. Housing and Urban Development-financed cooperatives, it is required that the cooperative deposit 3 percent of annual monthly charges into an operating reserve. This deposit

continues until the operating reserve is 15 percent of annual monthly charges. Then the annual deposit is decreased to 2 percent of annual monthly charges. After the operating reserve reaches 25 percent of annual monthly charges, annual deposits are no longer required. This creates an operating reserve that has been found effective in dealing with most potential operational issues outside of the normal cash flow of the property and provides a good rule of thumb for any cooperative to follow in creating an operating reserve.

Another issue that may result in bigger problems is accounts payable. Bills can stack up quickly and not addressing them results in a big problem that will negatively impact operations and may result in late fees, lawsuits and unneeded legal bills. Not paying a contractor or real estate taxes will result in liens against the property. These liens may be difficult to overcome and will result in increased legal fees.

For all of these issues, the question of whether to raise revenues now, i.e. raise the “rent,” almost always results in lower future expenses and a long-term savings.

Boards need to continually monitor their operations and property, identify problem areas and address them. By doing this, they will keep small problems from developing into issues that are difficult to resolve. It will also help you identify whether or not outside help is needed to address them.

**Bills can stack up quickly and not addressing them results in a big problem that will negatively impact operations and may result in late fees, lawsuits and unneeded legal bills.**



Hugh Jeffers is vice president of origination at Centennial Mortgage in South Bend, Ind.

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Boards need to be asking these basic questions on a continual basis:

- Does the cooperative have trouble paying its bills?
- Are accounts payable in excess of 60 days?
- Have maintenance calls increased?
- Are there unresolved capital repairs?
- Has vacancy increased?
- Has applicant traffic slowed?
- Have operating expenses increased?
- Are we increasing monthly charges regularly?

By asking yourself these questions routinely, and being honest about the answers, you can assess whether or not problems exist that you should address. These questions help you identify common problem areas all cooperatives may face from time to time. Common problems include:

- Underestimating operating expenses;
- Underestimating the frequency and cost of repairs;
- Not having sufficient cash reserves;
- Not tracking occupancy trends or turnover adequately;
- Not tracking delinquencies and late payments adequately;
- Not addressing member concerns;
- Not addressing repair issues and public safety issues on a timely basis; and
- Not being honest about the need for financing to address physical issues and reposition your property.

An important part of the assessment process includes a physical inspection of the property. This inspection needs to be thorough and examine all areas of the property, including the roof. Inspections should ensure that the property is Americans with Disabilities Act compliant: entry doors are locked;

**Inspections should ensure that the property is Americans with Disabilities Act compliant: entry doors are locked; hallways and stairwells are free from obstruction; heating, ventilation and air conditioning systems are in working order; and emergency vehicle lanes are clearly marked.**

hallways and stairwells are free from obstruction; heating, ventilation and air conditioning systems are in working order; and emergency vehicle lanes are clearly marked. Also, the inspection should address all common areas including laundry rooms, trash enclosures, crawl spaces/basements, mailboxes, playgrounds and property signage. It is important to also check for pest infestations regularly. As part of the process, the property should maintain a disaster relief plan and coordinate with local emergency services as necessary.

Successful cooperative boards are pro-active about reviewing their property's performance. These are the things you should do regularly to insure you catch problems before they become significant issues:

- Ask yourself the "are we in trouble" questions above;
- Review performance of the property with the management company monthly;
- Be mindful of the common problem areas and mistakes;
- Review property management performance regularly;
- Visually inspect the property thoroughly and regularly (at least every 6 months);
- Be proactive in dealing with issues; and
- Seek outside help as needed.

By establishing this framework to regularly assess your performance, you will help keep your cooperative ahead of potential problems and set yourself up for future success. [CHQ](#)

## THE RCM PROGRAM



**The Registered Cooperative Managers (RCM) Program** builds upon the work of cooperative housing management and helps the profession achieve ever-increasing higher professional standards, expectations, and rewards. The designation is awarded to managers who meet the RCM standards of excellence, understanding, and achievement in the area of cooperative housing management following participation in a series of courses, then pass certification exams. RCM course topics provide exciting insight into housing cooperatives and help develop skills necessary for a successful career in management. The courses refine the understanding of housing cooperatives, renew dedication to the principles of cooperative housing, codify the ethics of cooperative housing management, and improve housing management practices.

**The Registered Cooperative Manager Certification Program** is the only nationally-recognized designation and certification specializing in Cooperative Management recognized by the Registered in Apartment Managers (RAM program). RCM is a sought-after professional designation for cooperative housing managers. You can find the application and more information on [www.coophousing.org](http://www.coophousing.org).

# Workforce Housing Cooperatives: You Can Live Near Your Job

By David J. Thompson



Daily newspaper headlines beg for solutions for America's affordable housing crisis. There are lots of valuable ideas, but few implementations that are scalable. For example, there's much talk about the concept of "workforce housing" but very few concrete examples. Numerous definitions of "workforce housing" exist with the most prevalent being that it serves working people earning 80-120 percent of median income who pay no more than 30 percent of their income in rent.

**T**here is a housing crisis in many major U.S. cities, a continued rise in homelessness and a vast shortage of affordable housing for extremely low, very low and low-income households (30-80 percent of median income). While just a drop in the bucket, federal and state programs and subsidies are at least addressing some of the problems of supply.

A similar and growing crisis exists in the supply of affordable housing for households earning between 80-120 percent. This segment of the population, however, is not eligible for subsidies or affordable housing and most often is paying far more than the 30 percent of income that the U.S. Housing and Urban Development regards as normal. This 80-120 percent segment is mostly destined to be renters-for-life, and with overpaying for rents and miniscule ability to save, they will never have the down payment to own a home or pay a mortgage.

Nor, most likely, will they be able to afford to live near their job. Commuting is a major contributor to global warming. Affordable housing for this segment of our major cities is fast disappearing. "Workforce housing" targets this segment with words and policies, but, regrettably, with few real projects.

One group did do something about it, however. Here's the story of a workforce housing cooperative operating in the heart of one of the biggest cities in North America.

This housing cooperative gives first preference to low-income workers with jobs in downtown hotels and restaurants. Those resident members are easily able to walk, bike or take public transportation to their jobs. The 85 cooperative apartments (33 one bed rooms, 24 two bedrooms, 24 three bedrooms and four four-bedroom units) are a mix of subsidized and slightly below market rate units. Four units were developed as accessible.

Because of the central city location, only 10 on-site parking spaces were provided. One space is reserved for Enterprise CarShare and one space reserved for handicapped parking.

How did such a sensible, affordable home for the lowest paid employees of Toronto's Downtown hotels and restaurants get built a third-of-a-mile away from Toronto City Hall in the city's business center? The cooperative is six minutes by bike from Union Station, Toronto's transportation and downtown hub. One Local 75 Housing Co-op resident was quoted in the National Post as saying, "I love it. I can walk to work. I don't have to get up at 5:30 a.m. and get the bus."

The city of Toronto had a vacant site at 60 E. Richmond Street. Toronto Community Housing (TCH) was fast losing social housing units downtown. The Cooperative Housing Federation of Toronto (CHFT) had not seen any new cooperative in 20 years; and Local 75 UNITE (Hospitality Workers) had members traveling quite a distance to their downtown jobs. The ingredients were there, but there was not yet a cook.

Along came Toronto City Councillor Pam McConnell. McConnell had lived in Spruce Court Co-op for 40 years. At times she was a cooperative housing manager and rose to become president of the Cooperative Housing Federation of Toronto. In 2017, the year she died prematurely, she was a deputy mayor of Toronto. McConnell saw a unique alliance that met her cooperative vision to house low-income workers in downtown Toronto.

The alliance spent a few years looking for an outcome that was acceptable to all four groups. At the conclusion of their efforts: The city of

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CREDIT: TOM ARBAN, TEEPLE ARCHITECTS, INC, TORONTO.

**Local 75 Housing Co-op  
is located in Toronto,  
Canada.**



David J. Thompson is president of Twin Pines Cooperative Foundation and a co-principal of Neighborhood Partners, LLC, [www.nphc.org](http://www.nphc.org).



Toronto leased the vacant site to TCH for 50 years; TCH, CHFT and UNITE signed a memorandum of understanding on who would be eligible to live there and what income groups would qualify. TCH then subleased the property to Local 75 Housing Cooperative, Inc. The final agreement reserved 47 units for displaced low-income households who once lived in the gentrifying Regent Park neighborhood and 38 units for UNITE members or non-union workers in the hospitality industry.

To support the project and to bolster the cooperative's operating budget, UNITE filled another gap. UNITE rented most of the ground floor commercial space for two purposes. One was for its Toronto offices, and the other, more importantly, was for a training restaurant.

Called Hawthorne Food and Drink, the training center is open to all UNITE members and to any member of the public who wants to work in the hospitality industry. For example, United Way of Toronto and other government work programs provide scholarships to homeless and low-income people who want a job in the field. The Hospitality Workers Training Center (HWTC), a nonprofit sponsored by Local 75 UNITE, downtown hotels and government and nonprofit employment organizations operate the restaurant. In less than seven years of operation, Hawthorne has trained hundreds of hospitality workers.

The *Canadian Architect* magazine wrote this about the cooperative: "Designed by Teeple Architects, 60 Richmond East is a boldly contemporary high-rise with sculpted lines and splashes of colour, as well as a compelling blend of social, environmental, and urban aspirations."

The 11-story building has won numerous awards for its architecture and sustainable construction, such as Governor General's Medal in Architecture; Greater Toronto Chapter Innovation in LEED Award – First Place; Toronto Urban Design Award – Award of Excellence; ArchDaily Building of the Year Award; Sustainable Architecture & Building Award; and Canadian Architect Award of Excellence.

The need for workforce housing cooperatives like Local 75 Housing Cooperative in major American cities is enormous. Cities desperately need targeted affordable housing to attract teachers, public employees, service workers, nonprofit employees and gig workers who are the moderate-income backbone of the urban economy. Due to the very high costs of housing in many cities, the need stretches from households earning between 80-140 percent of median income.

Religious organizations, teachers' associations, unions, employer and employee groups, nonprofit housing and community organizations are some examples of people who could step forward to sponsor such initiatives for their members.

The oldest continuing housing cooperative sponsored by a union is Amalgamated Housing Cooperative in the Bronx. It was first occupied in 1927. A second housing cooperative called Amalgamated Dwellings in Manhattan was occupied in 1929. Amalgamated Clothing Workers Union under the leadership of their president, Sidney Hillman built the two housing cooperatives. The manager was Abraham E. Kazen,



CREDIT: ED YAKER

**Amalgamated Workers Housing Cooperative, Bronx, N.Y. is one of the first examples in the United States of union sponsored workforce housing.**

who went on to become known as the 'father of cooperative housing in the United States of America.'

In the 1950s, a group of trade unions under the leadership of Kazen drew upon the Amalgamated experience and went on to form United Housing Foundation in New York City. Through their joint sponsorship, UHF spurred the creation of over 20 housing cooperatives. Those unions created about 33,000 units of cooperative housing in New York City targeted to their members. Some were developed by unions to house their particular members. UHF functioned to provide affordable housing to the city's core workforce. Through UHF, union workers got to live affordably and have cooperative home ownership in the city where they worked. Without a doubt, and without knowing what it would be called later, the UHF cooperatives in NYC were the first mass provision of "workforce housing" in the USA.

Only a coalition of that type of scale sponsoring limited equity housing cooperatives (LEHC) and using state and federal funding can meet the affordable 'workforce housing' shortage facing today's moderate-income working families.

Silicon Valley and San Francisco in California are at the epicenter of the jobs housing crisis. Apple, Cisco, Google, Facebook and other tech giants are investing billions of dollars in foundations to address the regional affordable housing crisis. Some of these new funds should foster LEHCs for targeted employee groups such as teachers, municipal workers, tech workers, etc.

LEHCs have the best record of maintaining affordability over time, requiring modest down payments, creating lower entry home ownership, ensuring owner occupancy and creating democratic governance and community. In particular, the U.S. is fortunate that the National Cooperative Bank and Capital Impact are available to share their extensive experience in funding affordable cooperative housing.

The moderate-income housing and home ownership deficit are growing at crisis proportions. The overpayment of rent by moderate-income families is destroying the asset building opportunities of this core segment of the population. Without employing a cooperative housing solution that has access to targeted government, foundation and institutional financing, the U.S. will be left with cities of lifetime renters not able to save. Without an affordable ownership solution for the middle class, America's societal structure and values and the American Dream are at risk. [CHQ](#)



# Increase Member Participation at Your Cooperative

By Leon Yudkin Geoxavier



Cooperatives often times seek methods of increasing participation in their cooperatives. Acquiring and motivating board members and building a sense of community can go a long way into making a house a home.

## Paying Board Members

“How much does it pay?” a cooperative member once asked me regarding serving on the board. “It doesn’t,” was my reply. That member then turned and walked away; apparently that ended the conversation – fast. Another cooperative I worked with once offered one month off maintenance (common monthly charges) in exchange for board service. Though that resulted in lots of interest and many people running for the board, I do not think it resulted in its ultimate goal: dedicated volunteer members, working for the benefits of all.

The laws of your state and/or the bylaws of your cooperative may specifically prohibit compensating board members for their service in any way; therefore, this may be a moot point. But beyond the law or bylaws, this generally seems to be a discouraged practice as it can result in conflicts of interest, poor transparency and disenfranchisement. For a more in-depth discussion of this option, see the article “Board Compensation” by Kristina Valada-Viars (*Cooperator*, September 2017).

## Appointing Board Members

In every community there will resignations, transitions or life changes; the resulting vacancy will affect the board. As with the previous section, the laws of your state and/or the bylaws of your cooperative may have a specific protocol about filling board vacancies, like a board appointment or a special election. For a more in-depth discussion of this option, see the article “Filling a Board Vacancy” by David L. Berkey, Esq. (*Cooperator*, February 2006).

If it is possible to appoint a cooperative member to the board for a temporary or conditional term to fill a vacancy, this can be a great opportunity. Once I was talking to a member who seemed like she would be an ideal board member. When I asked why she did not

run for the board, she said that she “hated public speaking” and that the whole election process felt like a grown-up high school popularity contest. She was not averse to hard work on the board, far from it, but she was just turned off about seeking election from her community. A sudden vacancy allowed for her appointment, and then when it came time to seek election for the seat that she filled, she felt a little more comfortable running – this time as an incumbent.

## Motivating Board Members

In thinking about this topic, I asked several cooperative members why they volunteered to be on the board in the first place. Aside from those who were appointed (see above), some of the responses included the following:

- “My downstairs neighbor was complaining about the noise from my apartment, so I ran for the board so that her complaints would not matter anymore”;
- “I think the board/staff is corrupt and stealing money”;
- “I don’t like the perks that board members seem to be affording themselves”; and
- “I’m concerned about nepotism in staff hiring of relatives of board members.”

The theme in the above reasons is a general unhappiness with the current or previous board or staff. One cooperative actually considers themselves doing well by low turnout at meetings and disinterest in running for the board with cooperative members actually saying, “I would participate more if I thought things were going poorly.”

However, not all volunteers are motivated by the negative. Many cooperative members do

**If it is possible to appoint a cooperative member to the board for a temporary or conditional term to fill a vacancy, this can be a great opportunity.**



Leon Yudkin Geoxavier is a registered architect (NY/NJ) and restoration consultant with Walker Consultants in New City, NY. He is a former president of Southridge Cooperative Section #1, Inc., in Jackson Heights (Queens), N.Y.

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have a positive sense of civic engagement and altruism with a specific goal in mind to make a community a better place overall.

### Community at its Core

The work of board members can be taxing and draining, especially for a volunteer position, so I will close with a reminder that at our core cooperatives are more about community and

home than mere housing. While it is imperative to do the work for the cooperative (i.e. hold meetings, review budgets, plan projects), taking the time to be a real community does not take that much time and effort but reinforces bonds that separate cooperatives from other forms of housing. Celebrating a birthday, holding a holiday party and participating in a conference can be the fringe benefit that makes all the hours spent working for the good of the community worthwhile.

NAHC and Walker Consultants does not endorse or recommend any commercial products, processes or services. Therefore, mention of commercial products, processes or services cannot be construed as an endorsement or recommendation. This article is for general informational purposes. NAHC and Walker urge cooperatives to consult with a qualified industry professional for analysis and for answers to specific questions and sites. [CHQ](#)



## Your Cooperative Bank Expert

For over 30 years, National Cooperative Bank has worked with housing cooperatives nationwide to provide competitive banking products and services.

We offer:

- Cooperative Underlying Mortgages
- Lockbox and Online Payment Services
- Reserve Programs
- Unit Loans



## Contact Us!

### LOANS

**Larry Mathe**  
TEL (703) 302-1909  
TEL (800) 766-2622  
EMAIL [lmathe@ncb.coop](mailto:lmathe@ncb.coop)

### CASH MANAGEMENT

**Jared Tunnell**  
TEL (703) 302-8176  
TEL (800) 766-2622  
EMAIL [jtunnell@ncb.coop](mailto:jtunnell@ncb.coop)

Visit us online at [www.ncbassociationbanking.coop](http://www.ncbassociationbanking.coop)



**Member: 142407524**  
**Group: 20005DC01**  
**[www.MyRxPrice.com](http://www.MyRxPrice.com)**  
**This is NOT insurance.**

in cooperation with:  
  
**NAHC**  
National Association of Housing Cooperatives

  
**NB**  
BNH 610225  
PCN 05591000

## Free Pharmacy Discount Cards and Cooperative Healthy Savings Program

The Cooperative Healthy Savings (CHS) Program is for families living in NAHC member cooperatives. The Cooperative Healthy Savings Program provides pharmacy discounts that make getting prescriptions simple and more affordable. This is a prescription discount plan, not insurance.

By Judy Sullivan



### Calling All Housing Cooperatives: Act Today

**SUPERSTORM SANDY** was the deadliest and most destructive, as well as the strongest, hurricane of the 2012 Atlantic hurricane season. Inflicting nearly \$70 billion in damage, it was the second-costliest hurricane on record. After this storm hit and the area effected was federally declared a national disaster, impacted housing cooperatives learned the hard way that although the inside of their individual units would be eligible for Federal Emergency Management Agency (FEMA) grants, the common areas of their housing cooperatives would not qualify for them. This scenario meant that they would have to apply for Small Business Administration (SBA) loans to replace boilers, furnaces, damage to hallways and roofs and more.

Here's the catch: FEMA grants do not have to be repaid, but SBA loans, which are very difficult for housing cooperatives to obtain, do. And, it's simply unfair because if a single-family homeowner is impacted by a federally declared national disaster, then FEMA would cover damage to the entire home.

Representative Jerry Nadler, D-NY, has been working since 2012 to remedy this wrong for cooperatives. The introduction of his bill, **H.R. 5337**, is approaching. However, now it's your turn. **H.R. 5337**, already has 11 bipartisan co-sponsors but need more. You can make a difference.

Go to the **Democracy.io** to find your representative. Ask him or her to co-sponsor and support **HR 5337**. It's fast and easy. Ask everyone in your housing cooperative to do it. Protect your housing cooperative and do it **TODAY!** [CHQ](#)



Judy Sullivan is NAHC's government relations representative. She is also the recipient of NAHC's Jerry Voorhis and the Roger J. Willcox President's awards.

## Ordering appliances at a discount through **NAHC's GE/Hotpoint** program is as easy as 1, 2, 3...

### 1. Establish an account.

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

### 2. Select the products you wish to purchase.

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

### 3. Place your order.

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

The GE/Hotpoint program is an NAHC member service.





# 2020 COOPERATIVE CALENDAR

## APRIL

**23-25** 44<sup>th</sup> Annual Conference of the Potomac Association of Housing Cooperatives; Dover Downs Hotel & Casino, Dover, Del.

## MAY

**7** National Cooperative Business Association CLUSA's Annual Business Meeting and Virtual Town Hall; National Press Club, Washington, D.C.

Cooperative Development Foundation's Cooperative Hall of Fame and Issues: National Press Club, Washington, D.C.

Annual Meeting of the National Cooperative Bank and Reception; National Museum of Women in the Arts, Washington, D.C.

**16-21** 57<sup>th</sup> Annual Conference of the Midwest Association; Sheraton Denver, Denver, Colo.

## JULY

**10-11** NAHC Board of Directors Meeting; InterContinental Hotel, Chicago, Ill.

## SEPTEMBER

**26** CSI Annual Meeting, Crystal Garden, Southgate, Mich.

## OCTOBER IS CO-OP MONTH

**7-9** NCBA Co-op Impact Festival, Alexandria, Va.

## NOVEMBER

**2-3** RCM Training; Hilton Portland Downtown, Portland, Ore.

**4-7** NAHC's 60<sup>th</sup> Annual Conference; Hilton Portland Downtown, Portland, Ore.

**7** NAHC Annual Meeting of Members; Hilton Portland Downtown, Portland, Ore.

NAHC Board of Directors Meeting; Hilton Portland Downtown, Portland, Ore.

**8-10** North American Students of Cooperation Institute, Austin, Texas

**22** 40<sup>th</sup> Annual Housing Conference of the Council of New York Cooperatives and Condominiums; Local 32BJ SEIU, New York, N.Y.



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