COOPERATIVE HOUSING
BULLETIN

A member service of the National Association of Housing Cooperatives November/December 2008

Inside

NAHC

NAHC Takes Lead on Addressing Housing Crisis

The NAHC board, during its October meeting, approved a policy of encouraging cooperative homeownership as a better way to deal with large-scale single-family foreclosure disasters. Properly established membership cooperatives have a good record of acquiring, owning and operating distressed properties, including single-family homes, on a continuing and more affordable basis.

The history of foreclosures has been that many single-family homes are lost to the affordable housing market because of deterioration and dilapidation that occurs during the default, foreclosure and post-foreclosure processes. Other vacated houses are acquired at low prices by speculators to rehab and resell at inflated prices. And not all foreclosures are the result of improper sub-prime underwriting. Many working families lose their homes due to temporary causes such as illness or loss of income.

A properly organized homeownership cooperative provides a kind of insurance against loss of homes and significant operating cost savings due to its larger scale management and maintenance base. It can be designed to allow families who want to withdraw and resume individual ownership and responsibility for their house to do so. And families that need Section 8 housing assistance or the equivalent also can be accommodated.

The new NAHC cooperative homeownership policy regarding threatened and/or "in foreclosure" homes, as recommended by the Development and Preservation Committee and the Governmental Affairs Committee and approved by the NAHC board at its Oct. 25, 2008, meeting, is spelled out in the "white paper" below.

A Cooperative Solution for the Single-Family Houses Foreclosure Crisis

A White Paper prepared by the legislative committee of the National Association of Housing CooperativesCrisis

Established in 1960, NAHC and its 10 regional associations provide education, inspiration and service to housing cooperatives with well over a million families. NAHC's Board of Directors at its September 2008 meeting unanimously supported a cooperative approach to affordable housing ownership and preservation of individually owned houses faced with foreclosures.

Basic premises: Housing cooperatives provide cooperative homeownership at significantly lower cost, especially for families of low and moderate income.

Public funds available today would be better spent to keep families in their homes and to encourage more construction of affordable housing. Keeping low- and moderate-income families in their homes is essential to resolving the present housing-based financial crisis.

More government dollars should be invested in housing cooperatives to preserve existing affordable housing and to assist in developing more affordable housing. This was a successful public policy during the 1960s when a substantial proportion of today's housing cooperatives were built.

On keeping families in their homes: In specified target areas, NAHC organizational participation and private industry can identify for government the homes occupied by families below median income that are at risk of eviction due to foreclosure. Government can take the following actions: 1) suspend foreclosure procedures, 2) purchase mortgages at appropriate reduced prices and 3) negotiate deeds in lieu from the families in consideration of their debt forgiveness. Titles would be turned over to an existing or proposed housing

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COOPERATIVE HOUSING *BULLETIN*

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NAHC
THE NATIONAL ASSOCIATION OF HOUSING COOPERATIVES

About NAHC

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

Mission Statement

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

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All elected board directors serve three-year terms.
* Members of the Executive Committee

Member Association Abbreviations:

CAHC	California Association of Housing Cooperatives
CNYC	Council of New York Cooperatives & Condominiums
CSI	CSI Support & Development Services
CVCHA	Connecticut Valley Cooperative Housing Association, Inc.
FNYHC	Federation of New York Housing Cooperatives & Condominiums
HACHA	Heart of America Cooperative Housing Association
MAHC	Midwest Association of Housing Cooperatives
NJFHC	New Jersey Federation of Housing Cooperatives
PAHC	Potomac Association of Housing Cooperatives

About Bostrom

Bostrom Corporation is the professional services firm managing the National Association of Housing Cooperatives affairs. Professional staff includes Dee Ann Walker, Interim Executive Director, Suzanne Egan, Deputy Executive Director, and Joyce Williams, Administrative Assistant.

National Cooperative Business Association Prepares Legislative Agenda

NCBA is preparing its legislative agenda, including broad participation and use of the cooperative model to address today's challenges, as well as specific proposals for how cooperatives can be incorporated into current and proposed programs. NCBA distributed their Public Policy Priorities for 2009, which are listed below, and include NAHC's Land Only Cooperative issue.

NCBA plans to have the cooperative organizations meet quarterly to discuss legislative issues.

The economic and social challenges we face today are some of the most difficult…ever. And we have learned from experience that the co-op business model is well-suited to the task.

NCBA Priorities for 2009 Public Policy

The new Administration's promise to be bold presents the opportunity for cooperatives to do the same. The economic and social challenges we face today are some of the most difficult…ever. And we have learned from experience that the co-op business model is well-suited to the task. Our challenge is to make sure policymakers understand the benefits of cooperatives and provide opportunities for co-ops to help jump-start the economy and address some of our most intractable problems.

NCBA has sent to President-elect Obama a letter urging the new Administration to use cooperatives to help address the enormous challenges facing our country. We outlined the ways in which co-ops are working to provide health care, develop renewable energy, create affordable housing, provide utility services, and grow and distribute food, etc. As opportunities arise, NCBA will respond with specific proposals as to how co-ops can and do address the problem.

The NCBA Platform

The areas where co-ops can make a difference include:

- Community ownership of alternative energy projects such as solar, wind, and renewables, that multiply the economic benefits in local communities. Since the economic stimulus package includes proposals on developing more renewable energy, we have a brief piece on how co-ops can help (following);
- Small businesses that join together to form purchasing cooperatives can save Main Street by aggregating purchasing power and decreasing costs to allow them to compete in an expanding marketplace;
- Healthcare and employee benefits cooperatives can help rein in the skyrocketing costs of these services and help redirect the focus away from just making profit to making sense;
- Seniors in rural areas without the services needed to "age in place" can take control over their housing and home care needs by creating cooperatives that do not dictate to them the terms of their daily living;
- Credit unions provide financial services to their members, and they know who they are. They can help people regain trust in our financial institutions and fuel the economic activity we need to restore our financial system;
- Employee ownership may lift companies up from the brink and can help maintain profitable businesses in rural areas through succession planning and community or employee ownership;
- Pharmacies and other retailers can join together to help promote more sane pricing practices in the multi-tiered pharmaceutical industry;
- Farmers and small business entrepreneurs in poor rural areas throughout the world have experienced the benefits of cooperatives with the help of NCBA/CLUSA, which can help link US cooperatives to producers in developing countries; and
- Owners of manufactured houses or mobile homes can get out from under the control of greedy landlords through joint ownership of the land they call home.

How will NCBA Implement this platform?

NCBA knows that anything can be achieved through cooperation. And we'll need lots of it to tackle some of the issues of today. Since we represent all co-op sectors, we want to be there to help co-ops make their case. NCBA will:

- Share with representatives from the various sectors its platform and discuss their legislative priorities to determine where we can work together to take advantage of mutually beneficial legislative opportunities;
- Educate the Administration and members of Congress about the cooperative enterprise and how it can help revive communities and increase competition in certain sectors of the economy;
- Assist ongoing cooperative legislative efforts of our members such as the Alliance to secure legislative changes to allow for the development of cooperative benefits programs;
- Facilitate grassroots advocacy through outreach, calls to action, and a lobby day activity during our Annual Conference in May;
- Advocate for inclusion of domestic cooperative development as a means to solve some of our country's problems in the areas of energy, disaster assistance, senior housing, etc. Advocate for continued funding of cooperative development;
- Work with OCDC and our international partners to secure more funding for international co-op development;
- Make sure there is a cooperative voice in the Administration. While previous Administrations have let cooperative programs flounder, we have the opportunity to reinvigorate a co-op presence in the government and have a plan to do it. This includes a proposal for reshaping Cooperative Services at USDA (the only federal entity specifically devoted to cooperatives), advocating for pro-co-op appointees and staff to key positions;
- Continue to promote and facilitate research on co-ops to show the impact we have on all sectors of the economy. As part of this effort, we will make sure the regulations implementing the farm bill provisions we secured promote cooperative research and development;
- Promote changes to Small Business Administration programs to ensure cooperatives have access to their loans and investment programs.

While we have our work cut out for us on the legislative front, we cannot let our work on finance and tax issues slide. These issues may not require boldness, but they demand our attention and tenacity.

The Cooperative Finance and Tax Council (CF&TC)

While we have our work cut out for us on the legislative front, we cannot let our work on finance and tax issues slide. These issues may not require boldness, but they demand our attention and tenacity. And, some of these issues may be woven into the legislative agenda as opportunities arise.

Accounting:

MONITOR FASB (Financial Accounting Standards Board) and IASB (International Accounting Standards Board) activity on proposals that have impact on cooperative business model, including equity classification, private entity standard, fair value accounting;

ADDRESS process issues to ensure cooperatives have access to and can advocate before standard setters in international arena;

COORDINATE with ICA and international counterparts on accounting issues; and

PROMOTE CF&TC and its work to more cooperatives and private entities and seek partnerships with co-op-aligned entities

Legal:

DEVELOP database of all cooperative enabling laws in the US on a state-by-state basis and make it available on website as a members-only service; and

INCLUDE more information on legal issues and cases affecting co-ops in the CF&TC Update and on the CF&TC agenda.

Co-Op Equity Fund:

OVERSEE completion of Feasibility Study;

DETERMINE feasibility of implementing recommendations included in study; and

IDENTIFY co-op and non co-op partners and funding sources for continuing work/equity fund

Supporting the Public Policy Agenda

- Redesign and update public policy section of website and develop system for ongoing update;
- Develop system for tracking interest in public policy among members and non-members, and maintain database of these individuals, businesses, and organizations;
- Continue to identify financial staff at cooperatives that would be interested in CF&TC;
- Continue to research ways to attract funding for public policy work; and
- Develop NCBA or joint NCBA/NSAC webinars on various topics.

Most if not all of these priorities will need a plan for member and media outreach. Public policy staff will work with communications and member services staff to develop these plans. CHB

There's a Cooperative Way Out of This Mess

The article on the next page, written by Paul Hazen president and CEO of the National Cooperative Business Association, was first published in the Houston Chronicle *in November under the title shown above. Paul suggests the cooperative business plan approach can help solve the present economic crisis! We agree. Here are some thoughts on how this approach can be applied to solving our nationwide affordable housing crisis.*

As housing cooperators familiar with the concept of "rehabilitation," we go beyond the idea of simple "bail outs" and address what is really needed in our economy. As we know, "cosmetic fixes" don't solve problems of deteriorating plumbing, or electrical or roofing systems. So too, "bail outs" don't address the chronic problems of our economic system that create cyclical recessions until the problems can no longer be handled by "cosmetic fixes" and we are hit by a depression. Then, historically, the small companies fail and the big companies get bigger, laying the ground work for the next recession and ultimately the next depression.

Our NAHC resolution attached to the lead article in this edition of the CHB calls upon governments, federal and local, and the housing industry to use some of the money now being released to "bail out" existing troubled housing. This can be done by identifying foreclosed homes that are still occupied by families who to save their homes are willing to exchange their title ownership for a cooperative membership share with their mortgages adjusted to "crisis levels" paid off by government funds made available through the "bail out" schemes.

The creation of such community housing cooperatives to take over ownership of troubled single-family homes would provide ongoing services to ensure the survival of the houses at costs affordable to their occupants. NAHC members are urged to call this option to the attention of local housing planners who may get control over the use of some of these "bail out" funds.

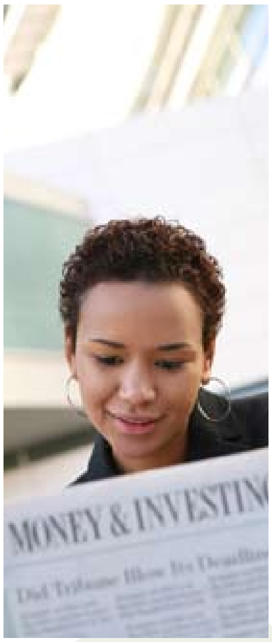
There is also being circulating amongst NAHC board members a more detailed proposal by Herbert Fisher, chair of the NAHC Development and Preservation Committee, calling upon the federal government to consider the history of direct government loans and grants in the 221(d)(3) Below Market Interest Rate and the LIPHRA preservation programs, to administratively use "bail funds" and make other funding and additional authority available through new legislation to address the affordable housing crisis, including funds to enable construction of new affordable cooperatively owned housing and conversion of existing multifamily housing (from rentals that are running into trouble and condominiums with more unit foreclosures than will permit their survival) into housing cooperatives.

Using some of the examples developed in the LIPHRA program, membership shares would then sell, in co-ops with maximum incomes for initial membership of 95 percent of median income, at $5,000 to $10,000 each with 10 percent down and the balance payable at 1 percent interest over 20-year terms. There would be arrangements for return of from half to all of the membership share prices to the federal government in partial repayment of the grants. And there would also be limitations on the use of the property for specified income groups starting at 95 percent of median income. and going up to 200 percent of median income, with the amount of the grant being 100 percent at the lower level and reducing for the higher levels.

This proposal puts cooperatives in a unique position of being able to return in whole or in part government funding while the property is being used for its intended purpose. Like Section 213 of the National Housing Act, this would be a uniquely cooperative housing provision in the National Housing Act or government-supported housing portfolio. **CHB**

Refuge in Time of Crisis

By Paul Hazen, President and CEO
National Cooperative Business Association



We need to invest in business cooperatives.

WHAT CAUSED OUR CURRENT economic crisis? It was greed, deregulation, predatory lending, so popular thought goes. Mortgage lenders and Wall Street are guilty of many of these accusations. But there's one major flaw in the logic of this finger-pointing — these are symptoms, not causes, of our financial system. In other words, it's the nature of the beast.

Investor-owned businesses, pressured by investors' beckoning for higher returns, place the highest value on profit. An unsatiated pool of investors can flee, destroying a company's primary source of capital and bankrupting the business. For business leaders, this clearly is not an option.

Investor-owned businesses also can find that the interests of their employees or consumers are at odds with those of the investors. That executives often hold large amounts of company stock creates an even deeper conflict of interest. Are higher-ups making the right decisions for the company, or are they just making the decisions that boost their own portfolios? Unfortunately, as the subprime mortgage crisis revealed, it's often the second of the two.

This high-risk, profit-first model, in many ways, has failed. While it made our country affluent, it also left us vulnerable.

People want to know where we go from here, what sort of business model could have averted the crisis. The answer is simple, and decidedly American.

We need to invest in business cooperatives.

People gravitate toward comfort and security in times of crises. That's exactly why business cooperatives are so appealing right now. And with President-elect Obama's administration soon to enter the White House, the appeal of bottom-up economic development will only continue to grow.

Structurally, cooperatives are distinct from investor-owned businesses. Those who use a co-op's services actually own an equal share of the business. There are no majority shareholders or single owners, and fluctuations on Wall Street exert only an indirect influence on business.

Co-ops include Fortune-500 businesses such as Land O'Lakes and Sunkist, as well as the Associated Press, and are some of the most powerful food suppliers in the country. According to a vast, USDA-funded study at the University of Wisconsin, co-ops hold more than $1 trillion in assets and have more than 125 million members.

Following the Great Depression, credit unions — another type of cooperatively owned business — grew exponentially. Experts, including Ivy League finance professors, agree that credit unions will most likely see a similar surge in the near future.

Credit unions have remained stable in the current wave of bank failures. George Hofheimer, chief research officer of the Filene Institute, a nonprofit think tank that studies credit unions, said that they'll attract members because they haven't had to tighten their lending standards. Credit is flowing as freely today as it was a year ago.

That's because credit unions, like other cooperatives, don't answer to investors. Consequently, they've made less risky moves, like packaging subprime mortgages into stock and selling them on the market. Because every member is an equal owner, there's no incentive for anyone — president, CFO or CEO — to try to manipulate the stock price. No single person stands to gain more than another. The excesses of AIG simply couldn't have happened in a co-op.

This makes for business with a face. Because revenues stay local, credit unions' gains represent gains to the community. And as owners, each member has a say in the business's governance. This creates a culture of transparency, a far cry from the culture of many investor-owned corporations.

These efficiencies manifest in real, tangible benefits to consumers. Credit unions offer better interest rates on deposits and lower interest rates on loans. The average interest on a 48-month car loan at a credit union, for example, is 1.4 percent lower than at a bank.

What draws members to credit unions — strength, good deals, self-reliance, community focus — also draws people to other types of business cooperatives. Food co-ops, housing co-ops, purchasing co-ops (buyers that come together to leverage economies of scale) — all have blossomed in recent years, bringing services to people who either couldn't afford them or were geographically marginalized.

There's no such thing as an invulnerable business model, and certainly co-ops feel the stress of a weakened economy. But as the Great Depression showed, business cooperatives can help stabilize an economy in turmoil.

By working cooperatively, Americans will regain the trust in each other and in the economy, that in recent weeks has been so severely damaged. CHB

Paul Hazen may be reached at info@ncba.coop, or visit NCBA at www.ncba.coop.

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Annual Conference Updates: Houston and San Francisco

The Houston conference promised to be an informative and productive session with national speakers delivering on a variety of timely topics. Unfortunately, Hurricane Ike's landfall in Houston forced the cancellation of the conference. Co-Op registrants were alerted to the options that the NAHC Board of Directors offered for making refunds in a December 5 email. A follow-up email will be sent soon to those who have not yet responded. Please contact the NAHC office at (202) 737-0797 if you require additional information.

San Francisco 2009 Conference

We are now in the planning process for the 2009 Annual Conference, to be held October 9-12 in San Francisco, at the Hyatt Regency, Embarcadero Center. This conference will provide an opportunity to receive the latest educational topics relevant to the current Co-Op environment, government relations updates, and networking opportunities with your fellow members and professionals.

Call for NAHC 2009 San Francisco Annual Conference Suggestions

NAHC members and others from the cooperative housing community are invited to submit ideas for training sessions at the 2009 NAHC annual conference. "We are especially interested in hearing from cooperative professionals and experienced cooperative presidents about what they can contribute, what they and their board members want to learn, and what they want to discuss," Dee Ann Walker, NAHC Interim Executive Director said.

If you have suggestions for the conference, would like to assist in training activities as a moderator or resource person, or would like to be involved in the program in other ways, please contact Dee Ann Walker at dawalker@coophousing.org or via fax at the NAHC office 202/783-7869.

Co-op Services, Inc. Welcomes 53rd Building to its Co-op Network

Gratiot Woods Co-op opened its doors in June, after one year of construction. It is our newest CSI building and is located in Detroit, Mich. Since the opening, the members of the building have been working hard to sign leases and move people in. The building is almost full now and the residents are happy with their new surroundings. Wireless Internet access will be available in all units, and the building has a cozy computer center for residents. It is the first CSI building to receive a grant for the HUD's Neighborhood Network program.

Committees have been established and the council is working diligently to make important decisions. It has already tackled some tough jobs and has proved that it can handle anything that comes its way. The building officers are Barbara Shumake, Barbara Chavez, Estelle Jackson and Fran Lewis. Leasing co-chairs are Fran Lewis and Annie Sturdivant. These women have been through all of the good times and all of the challenges that are associated with opening a new building. President Shumake says, "I think our building is the best! It is a comfort to be here and I've never slept so good at night. I can do what I've always dreamed of here at Gratiot Woods."

Gratiot Woods Co-op

The building décor committee shopped for hallway and common area decorations. A group of volunteers put together a successful November building dedication. CSI is hosting a December new member orientation at which members will learn about the co-op system, the history of CSI and the benefits of volunteering.

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Equal Housing Opportunity

PAHC Workshop Held in Mid-November

The Potomac Association of Housing Cooperatives held its fall 2008 Quarterly Training Workshop at Heritage Park Cooperative on Nov. 15. Robert Strubin, president of RJ Management, led the discussion on Cooperative & Resident Safety — How to keep your cooperative and residents more secure and safe.

This portion of the program was intended to provide members with a working knowledge of the issues, policies and practices affecting resident safety and cooperative security; however, the attendees steered the discussion to the management agent working together with the board of directors. Accordingly, the 26 attendees, representing nine cooperatives from Baltimore, Md., to Hampton, Va., who braved the stormy weather, asked Strubin to reserve Cooperative & Tenant Safety for our 2009 Annual Conference. Therefore, the attendees debated the responsibilities of both management and board, and how they can ensure that management and the board work together successfully for the betterment of the cooperative. Everyone, from co-op employees to board members left with a determination to work in unity to ensure their respective cooperative corporations remain viable and serving the membership.

Lynda King of Fox Hall in Hampton, VA, winner of a raffle drawing and Robert Strubin, President of RJ Management

Immediately following the workshop, PAHC's Board of Directors met and discussed increasing cooperation with NAHC, member concerns, additional website improvements and planning long-range strategy meetings to keep the association moving forward.

PAHC will host its 2009 Annual Membership Meeting on April 23-25 at the Grand Hotel in Ocean City, Md. Some of the anticipated workshop topics include HVAC and Electrical Maintenance, Board of Directors Roundtable and Cooperative & Resident Safety.

Greenbelt Co-op

The six co-ops in Greenbelt, Md., planned several joint activities during October, co-op month. We had a banner across the major road in old Greenbelt announcing October as co-op month and feature stories on each co-op in four issues of the local paper, the *Greenbelt News Review* (which itself is a co-op). We placed an ad in the *News Review* listing all the activities of the individual co-ops during October and manned a booth at the Greenbelt Farmers Market to give out information and bookmarks that list the co-op principles and contact information for all the co-ops.

We also held a scavenger hunt involving the community and all the co-op locations. The six co-ops involved are GHI, the Greenbelt Federal Credit Union, Greenbelt Consumer Cooperative Inc. (supermarket), Greenbelt Nursery School, New Deal Cafe, and Greenbelt News Review (the local free weekly newspaper). www.greenbelthomes.net CHB

A Cooperative Solution [continued from page 1]

cooperative to be organized by NAHC-selected professionals with local community support.

Each participating family would have the option of becoming a cooperative homeowner or continuing in occupancy as a renter. To become a cooperative member-homeowner, the family would have to buy a membership certificate (share of ownership in the cooperative), paid for on an affordable cash or installment basis to be determined on a case-by-case basis by the sponsoring cooperative's Board of Trustees.

Government funds in addition to costs involved in actions 1, 2 and 3 above would be needed for organizational set-up expenses for each cooperative, which are estimated, with NAHC pro bono volunteer input, at less than $20,000 per cooperative regardless of the number of homes involved in the specific target area program.

NAHC would provide volunteers recommended by its Development and Preservation Committee to act as consultants and sponsoring trustees in the structuring and setting up of the cooperative entities in conjunction with local governments handling the federal funds. An appropriate fee would be built into each cooperative's annual budget to pay for a continuing professional oversight role. CHB

FEDERATION NEWS

Health Insurance Seminar

Many of the residents of the FNYHC member buildings, due to circumstances beyond their control, have lost their Health Insurance coverage. To serve the co-op and condo community, FNYHC formed a Health Insurance group. A top-rated insurance broker, Rampart Group, held Seminars beginning in October, 2008. Tom Dougherty of The Rampart Insurance Group conducted these meetings. Information on Long Term care and other health insurance topics were discussed.

The benefits to the members of FNYHC included:

- Special member discounts
- Home consultations by appointment (no obligations)
- Educational workshops (no obligations) throughout the year.
- New York State Partnership Programs

Watch future CHB's for an update on implementation and other news and ideas for your Co-Ops.

The Acid Test — 1932-1936

Editor's Note: The great economic depression in the 1930s came at a time when the only large scale moderate income cooperatives in the United States were the Union sponsored ones in New York City. The Amalgamated Cooperatives developed by Abraham Kazan survived that terrible time, while even many higher income co-ops failed. How they survived in the years before there were any FHA insurance and HUD assistance arrangements will be of interest to many co-ops who are already facing depression-related problems.

With the number of applicants always increasing, it seemed to the Amalgamated Housing Corporation and, to some extent, Amalgamated Dwellings Inc. that the progress and expansion of the organizations would continue indefinitely. Members always paid their carrying charges on time. For every member-cooperator who filed an application to withdraw, there were several to take his place. No reserves were being set aside for the purpose of repurchasing stock. No funds were available for other reserves.

In the early 1930s, while economic conditions were getting worse by the day, the management of the housing corporations was preoccupied with plans for new construction. The fact of the matter is that building was completed only in the spring of 1932.

In the summer of 1932 the incomes of most of the cooperators began to drop. The number of people desiring to give up their apartments began to rise, and the number of those who wished to join was declining. Those who still had a desire to become members were skeptical about investing the large sum of money needed — in some instances, it would be their lifetime savings. The shortage of money began to be felt.

PHOTOS COURTESY OF HERMAN LIEBMAN MEMORIAL FUND, AMALGAMATED HOUSING COOPERATIVE

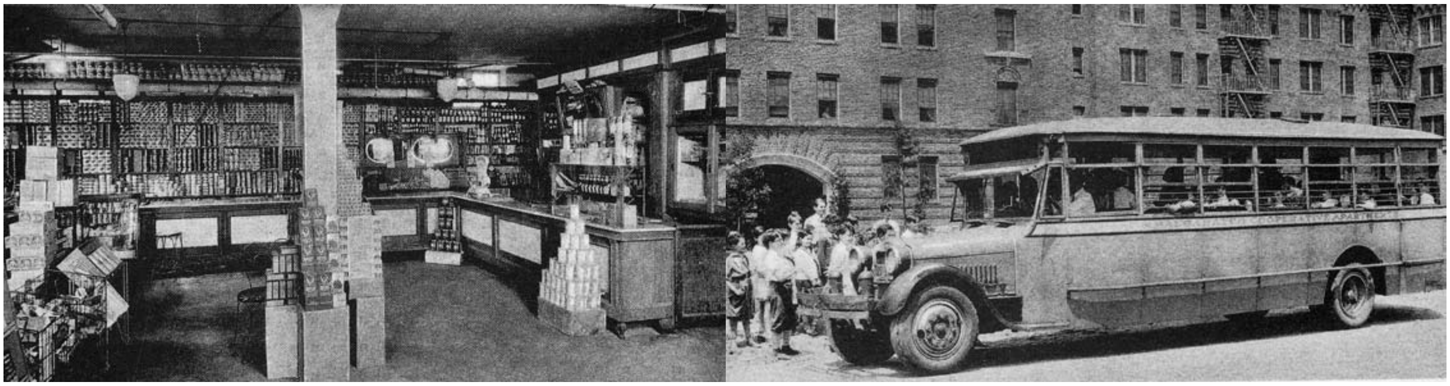
Together with a good many others, management thought that the unemployment which affected the majority of the cooperators would not last very long. Many members began to fall behind in the payment of their carrying charges. Measures to enforce payment had to be taken. Later on, as conditions grew worse instead of better, the mortgagees were asked to delay the paying of the mortgage amortization with a promise to repay it when economic conditions improved. The mortgagees agreed to this arrangement.

The years 1932 to 1936 can be considered the darkest period in the history of real-estate business. Mortgage defaults were frequent. Properties were foreclosed and taken over by the lenders and then dumped on the market at any price. In a large number of cases, the owners, without waiting for legal action to be taken against them, voluntarily assigned the rents and the title to the mortgaged properties, unable to continue to operate them.

The good reputation that the two Amalgamated cooperative organizations succeeded in establishing for themselves during the few years of their existence materially helped them during the depression. The lending institutions knew that every effort was being made by the organizations to keep up their obligations. They had full confidence in the management.

Two other problems equally as difficult confronted the administration: What was to be done about the member-cooperators who failed to maintain their carrying charges? What was to be done about the member-cooperators who had to move away and who expected to have their stock repurchased? If the corporation failed to exercise its right of repurchasing the members' stock and permitted the members to sell their equity to the public, the reputation of the

This article is reprinted with permission from "Story of a Cooperative Community, The First 75 Years: 1927-2002," published by the Herman Liebman Memorial Fund, Amalgamated Housing Cooperative, 98 Van Courtlandt Park South, Bronx, NY 10463. Edward Yaker, President.



Amalgamated Grocery store and bus

If the corporation failed to exercise its right of repurchasing the members' stock and permitted the members to sell their equity to the public, the reputation of the cooperative would suffer an irreparable blow.

cooperative would suffer an irreparable blow.

As the situation was getting worse and almost hopeless, something drastic had to be done if the cooperative was to be saved. To begin with, each cooperator was advised that he must make every effort to keep up his maintenance charges. Simultaneously, the Board of Directors, House Committee and management agreed that as long as a member made the effort, though he actually was unable to pay the required monthly charge, no action would be taken against him. However, if in the opinion of management, a member who could pay deliberately tried to avoid payment, drastic action was to be taken.

At the end of 1936, the corporation found itself with $156,000 in rents receivable; however, during this period, eviction proceedings were taken against only two members (both not members of any union). This large sum of receivables, it must be stated, was eventually collected without the loss of a single dollar. Occupancy during the worst months of the depression dropped to 95%. It is interesting to note that in the early days of the depression, the members who were employed set up a fund to assist those who were out of work. As the depression deepened this fund had to be discontinued.

The second problem was how to repurchase the stock of members who had to withdraw. If the cooperative could not offer some plan to repurchase this stock, future applicants would lose confidence in the organization. The reputation of the cooperative was at stake. The following policies were therefore adopted:

1. The outgoing members, instead of receiving their investment in full at one time, were all paid an equal share in proportion to their investment.

2. Every dollar not used up in the maintenance of the project was channeled to repay the outgoing members.

3. The resources of the A.H. Consumers Society Inc., the parallel cooperative business organization functioning in the development, were to be used for repurchasing members' stock.

4. In the case of Amalgamated Dwellings, when members withdrew, the Amalgamated Bank was authorized by Messrs. Lehman and Rabinowitz to extend loans to the cooperative up to the par value of the stock. This enabled the cooperative to redeem the members' stock without difficulty.

These efforts had a beneficial effect. Member-cooperators who were wavering whether to stay in the community or to leave, were encouraged to remain.

With little money available for investment in a co-op apartment, the corporations agreed to rent some of the vacant apartments. In cases where an individual was hesitant about making the investment, a plan was developed by which he could join on a temporary basis by investing only $100 per room. In these cases, families signed a lease for a 2½ year period and paid a fixed rental. This rental was usually about $5 to $10 per month higher than the maintenance charge paid by cooperators for the same apartment. If after the 2½ years or at any time during that period, the tenant decided to join as a cooperator, the excess charge was credited against the investment. If he decided not to become a member and wanted to withdraw, his $100 per room was refunded to him. In such cases, it was optional for the corporation to allow him to continue as a tenant.

In all these transactions, A.H. Consumers Society Inc. acted as an agent for the housing corporation. The highest amount of the cooperative stock taken over by A.H. Consumers Society during this period was $275,000 or almost 30%. The depression years were our darkest hour. By the emergency measures described above and by the cooperative spirit of the people, we survived. Two other large cooperative developments which had been organized about the same time were not so fortunate and became casualties of the depression.

Rebuilding was a slow and tedious process. It took all of ten years before the havoc created by the depression could be overcome and new work undertaken. As the economic depression subsided, the stock was resold to new cooperators and the money was used to pay off the loans, repay the deferred payments on the mortgage amortization and the other obligations incurred. The members who had left the community eventually received back every dollar of their investment. CHB

Board Acts on Government Relations Committee Report

If any NAHC members have questions about what NAHC is doing to help housing cooperatives during these anxious days, consider the following: Mary Ann Rothman, chair of the Government Relations Committee, delivered a detailed report to the NAHC board at its special meeting held Oct. 25 in Alexandria, Va., and praised the skill and industriousness of NAHC lobbyist Judy Sullivan.

Judy Sullivan

Based on minutes of the meeting, here are the action items reviewed and board actions taken.

On reverse mortgages for cooperative members: Rothman moved that NAHC send a letter to the HUD in support of reverse mortgages as an important tool for maintaining affordable housing and enabling seniors to continue living in their homes. The motion passed unanimously.

On enabling use of veteran's benefits for the purchase of cooperative units: Newly published VA regulations exclude limited equity cooperatives and include a sunset clause on the VA authorization for this program of December 2011. Rothman moved that NAHC take action to remove this exclusion and the sunset clause so that all veterans can have the opportunity to use their low-interest loan benefits to become cooperative homeowners in all kinds of cooperative housing and to make permanent the right of veterans to use their benefits to purchase housing cooperative units. The motion passed unanimously.

On extension of homeowner benefits under Section 216 of the IRS Code to "land only" cooperatives: Rothman reported on progress in getting changes in the regulations so that manufactured home cooperatives, including mobile home park cooperatives, can have the same tax benefits as other housing cooperatives. Judy Sullivan is seeking additional partners in this effort.

On development of scattered site cooperatives to preserve foreclosed housing: At the request of the Preservation and Development Committee, the Government Relations Committee has looked into this program. Rothman moved that NAHC support the concept of rescuing and furthering affordable housing following the cooperative model. The motion passed unanimously.

On support of NCB's effort to enable NCB's not-for-profit NCB Capital Impact to become a Community Development Financial Institution: Rothman reported that NCB had asked Rep. Carolyn Maloney (D-N.Y.) to propose legislation in Congress regarding this issue, H.R. 6642. Rothman moved that the board authorize NAHC to express its support for passage of H.R. 6642 in a letter to the House Financial Services Committee Chairman Barney Frank (D-Mass.), signed by NAHC President Mark Shernicoff, and that staff distribute sample support letters to NAHC members in the districts of key congressional committee members. The motion passed unanimously.

On support of the Community Reinvestment Act: Rothman requested that NAHC authorize its president, Mark Shernicoff, to write an article for the NAHC website that gives clear reasons why the Community Reinvestment Act is not responsible for the current financial situation, and that the article be distributed as needed to newspapers nationwide in the form of a letter to the editor. The motion to authorize the writing of the article and its posting and distribution passed.

On how the new federal housing tax credits apply to cooperative equity purchases: Rothman stated that the tax credit is up to 10 percent of the buy-in membership/equity, up to a maximum $7,500. Shernicoff added that the tax credit applies when the cooperative qualifies under IRS code 216. Subsequently, it was brought to our attention that the tax credits are more in the nature of interest-free loans to be paid back by the taxpayer over 15 years by an addition to the annual tax of one-fifteenth of the allowed credit. Additional information on and a summary of the new law are available on request from NAHC. Send requests to the CHB editor.

On establishing a "Housing Cooperative Connections" program: Rothman requested that NAHC support Sullivan's suggestion that such a program be established as a service for cooperators. It would be an extension of the "clipping service" that Sullivan now provides to several of us and would involve sending by e-mail articles of interest to housing cooperatives and to all NAHC members. The clips also could be sent to selected non-members with a follow-up saying that if they become NAHC members, they will continue to receive the clipping service. Funding would be requested from NCB to launch the project and support it for the first year. Rothman moved that the board authorize Bostrom Corp. to pursue a request for this funding with NCB and that Sullivan serve as staff for the project. The motion was approved unanimously. CHB

What Do You Mean I'm Not Getting My Money Back?

I have had a lot of interesting and great experiences since qualifying to move my family into our three-bedroom, 18th floor apartment in a cooperative building. We had the right family size for a three-bedroom and our family (my and my wife's) income was enough to meet the minimum income standards, but not too high to disqualify us under the HUD maximum income requirements. The housekeeping check showed we had good habits and our credit and background checks came through clean.

One day, not long ago, I was walking from my apartment to the elevator on the 18th floor when I bumped into my co-op neighbor Luis Sawyer, who was waiting impatiently at the elevator.

"Good morning, Luis," I said. "Been waiting long?"

"Too damn long," he responded. "You all got to do something about these elevators, they are just too slow."

I guess that his "you all" words were meant for the elected board of directors, since the announcement just went out a day ago that I had been elected to the board in a hotly contested and disputed election earlier in the week; there had to be a recount of ballots. My mental reaction was, "Oh my gosh, is this what I have gotten myself into by being elected to the board — to take slow elevator complaints?" But wanting to show my interest in his problem, I asked, "How long have you been waiting, Luis?"

"At least three minutes," he tersely responded.

"Come on, Luis, that is not a long time. We've got 260 apartments in this building with three elevators. You wait that long on red light at the six corner intersection when you go out of the building," I pointed out.

He hesitated as the elevator door opened and we got on and he commented, "I guess you are right. I got too impatient but I am just ticked off about this cooperative business."

"What do you mean?"

"I have been planning to move to get closer to my new job, and I went into the management office to get the details on how the money would be handled, and I was told that I wasn't going to my deposit back and they don't even pay interest on the money they have been holding," he charged.

I stopped, shocked. "Luis, why should you be asking about your security deposit? You know you didn't put up a security deposit when you moved into the cooperative 10 years ago," I said.

"But I left $1,000 when I moved in, in addition to the first month's rent," he angrily responded.

"Yeah, but with that money you bought a share of the cooperative, you became a member of the cooperative." I pointed out, adding, "I know you should know that because I was on the Membership Committee when you and your family were interviewed and explained that to you so there would be no misunderstanding if you decided to buy and move in. Don't you remember that."

"Well, something like that," he responded "but when I said once I was buying my apartment, I was corrected and told no I wasn't."

Exasperated, I said, "Luis, what misunderstanding? One has nothing to do with the other. Of course you didn't buy your apartment. You were told you were buying a membership."

"But," he said, "when I went in to see about moving, I was told I had to sell my membership first. This is all too confusing."

"No, it's not, not if you just stop a minute, stop being so angry and frustrated, and use your brain a minute, think and ask more questions. When you were told you wouldn't get any security deposit or security deposit interest, did you ask what happened to the money you paid when you moved in?"

"No, I was too angry and just stomped out of the office"

"Luis, please be patient and listen to me," I pleaded. "Had you asked at the office, you would have been told that when you moved in, the family who owned your membership before you got an accounting for the $1,000 you paid and it was used to pay them what they had coming to them. Today when you sell your membership, you can do one of two things; one, you can ask the cooperative to find a buyer for you and sell it for the current price of $2,000. Or, you can find a buyer whom the cooperative can approve under its standards for any price they will pay but no more than $8,000, which is the maximum price for which a cooperative membership can be sold under the cooperative's bylaws. There is then a formula in the bylaws that determines how much of the purchase price you will get. My guess is you will probably get all of that price except the resale fee if your apartment is in good condition and you aren't behind in your monthly charges."

Luis stood there with a blank look on his face. "Oh my goodness," he exclaimed, "that means I am in good shape. That would give me enough money to complete my move, and I have an uncle who has been waiting for over a year to move into our cooperative and I am sure he would pay me $3,000 for my membership."

"Luis, be sure that your uncle's family size and his income will qualify for him for membership and that he doesn't have any criminal or drug record so that you don't waste a lot of time having his membership application processed only not to be approved."

"Oh, he is straight as an arrow. No worry about that," said Luis as he walked off toward the garage to get his car to drive to his job in the suburbs.

As I walked to the corner to catch my bus, I called after him laughing: "Be sure to tell your uncle to control his kids so they don't tear down the drapes in the interview room when his family meets with the Membership Committee." CHB

By Herbert H. Fisher, Chicago, Ill.

Note: The hypothetical cooperative in the story above had HUD-related financing under a program that imposed income maximums on who could move into the cooperative and is a not-for-profit corporation that issues membership, not shares. For cooperatives that have paid off HUD-related financing or whose regulatory or use agreements have expired, such restrictions do not apply, except as may be limited by the cooperative's bylaws and/or articles of incorporation, which can be amended by vote of the cooperative members/shareholders. For business corporation cooperatives or those organized under statutes that permit share issuing, the word "shareholder" or "shareholders" can be substituted for "member" or "members." HHF

Share Loans and Share Credit

By Roger Willcox

With far more than 50 e-mails received in recent months, expressing various points of view, it seems a good time to review what co-op share loans are, what they can offer and where more information may be obtained. For starters, here's a definition: Share loans are loans secured by the collateral value of a cooperative membership or shares.

This article probably will be the first of a series of articles examining and reporting on share lending in theory and in practice. It provides a brief introduction to share loans and more detailed information and comment on the Share Credit Corporation's program.

As developed over the years, share loan arrangements are significantly different for these kinds of housing cooperatives:

MARKET RATE CO-OPS — where share prices are largely determined by market considerations and shares are generally sold for $15,000 or more.

NEW CONVERSION CO-OPS — where prospective members need loans to complete purchase of their memberships.

LIMITED EQUITY CO-OPS (LECs) — including those with annual increases in share prices based on cost-of-living changes or a dollar or percentage formula.

Share loans are loans secured by the collateral value of a cooperative membership or shares.

Market rate co-op "share loan" arrangements in the New York City area are now well established. They include loan arrangements provided by some banks as well as those offered by NCB Savings FSB and the Sixth Avenue Credit Union. Many lenders require "tripartite agreements" or "recognition agreements" among the cooperative, the lender and the co-op member borrowers. These agreements set forth arrangements for the benefit of the parties concerned. As an example, if a co-op member borrower fails to make payments as agreed, the cooperative will want to know what legal actions the lender may take to collect what is due.

Share loan arrangements for market-rate cooperatives outside the New York area often are not available because the "collateral value of a cooperative membership" as security for a loan is not as widely recognized outside the New York market area.

Share loan arrangements for new conversion co-ops have been used for many years. FCH, the not-for-profit operating arm of the Foundation for Cooperative Housing, organized several large conversions using share loans. An early example was the 1956 conversion of the 1,609-unit Armistead Gardens complex of three lower-income war and public housing projects in Baltimore, Md. When the opportunity to buy that complex became available, more than 10 percent of its dwellings were vacant and organized vandalism was prevalent.

To make a conversion possible, FCH had to arrange for funds so that share loans could be offered to all its low-income tenants. When arrangements were worked out so that all existing tenants could join the co-op by assigning their security deposits and agreeing to three-year share loans, whose monthly cost plus the co-op monthly carrying charge were less than the rent they had been paying, more than 1,000 tenants signed up in a few weeks. The Armistead Gardens Co-op continues to this day as a large, successful co-op for lower-income families.

The Share Credit program. The Southeast Association of Housing Cooperatives, whose members were mostly LECs, got interested in share loans in the 1990s. With no financing for resale of memberships available, it was becoming difficult to sustain even the limited equity share prices. When asked, I provided them with copies of the Sixth Avenue Credit Union forms being used in the New York area. With initial financial help from Alex Miller, a co-op manager and Atlanta businessman, SAHC then developed a new kind of share loan program. Below are two recent statements on that program.

From a recent "flyer":
Share Credit Corporation
The financial services arm of the Southeast

Association of Housing Cooperatives Atlanta Share Credit Corporation is a nonprofit lending institution created in 1996 by housing cooperatives to provide the capital needed to finance membership purchases, home improvements and equity loans for cooperative homeowners. Its intended borrowers are cooperative homeowners whose income falls below 80 percent of area median income as defined by the HUD.

When it comes to cooperative lending (affordable housing), a borrower's credit score is not a good indicator of the risk. The most important indicator is whether a borrower loves and respects his cooperative. We have found no direct correlation between risk and credit score.

For the loans since January 2006
Loans counted since January 2006: 202
Average credit score: 587
Average loan size: $6,125
Average monthly income: $2,807
Average monthly payment: $114.70
Average percentage of monthly income to pay share loan: 4.29%

From a statement Alex Miller sent to me in October 2008:

We started out issuing only loans to purchase so that cooperatives could remain competitive with rental security deposits and grow the cash value of memberships to the levels prescribed in the HUD 236 bylaws with which you are already so familiar. This loan product made cooperative ownership more affordable to more people.

Share Credit began to offer a loan product that allowed owners to borrow up to $1,200 for any purpose they wanted. With this product, people could borrow funds in times of need... in other words make their ownership of a cooperative share work for them even more.

—Alex Miller

The next challenge was to get cooperative owners to make investments in their own homes under the theory that any community, whether that be a cooperative, condominium or single-family, tends to go down in value when its owners fail to make improvements to their own homes. On the contrary, when owners make their own improvements, they also have a greater sense of pride and care. Thus we added home improvement loans to our portfolio of products.

As the value of membership rose (pursuant to the HUD 236 bylaws), Share Credit began to offer a loan product that allowed owners to borrow up to $1,200 for any purpose they wanted. With this product, people could borrow funds in times of need...in other words make their ownership of a cooperative share work for them even more. In my mind this was a product that truly added liquidity to cooperative ownership.

Then earlier in 2007, recognizing that the country was in for a pretty tough recession, Share Credit introduced yet another new loan product. A "hardship" loan product was created to help people who've lost their jobs or had hours curtailed as a result of an employer's cut-back to borrow up to $2,000 to help pay their carrying charges. Two features make this a very special product: 1) When analyzing borrowers' capacity to repay, Share Credit uses their PAST earning history, not their current unemployment, and 2) repayment does not start until 90 days after the normal start date to give people that long to get back on their feet. Recipients of these loans truly appreciate someone coming to their "rescue" willing to trust in them during a time of need.

As you can imagine, most of these loans would not be possible through any lending institution other than one that is controlled by the participating cooperatives themselves. They know and understand their local markets and the credit needs . Share Credit is a 501(c)(3) so no profits are siphoned off except to pay interest on the capital funds it has borrowed to make all this happen.

Share Credit also offers cooperatives, whose bylaws permit it, a place to park their reserve money in an institution that 1) helps cooperatives grow financially stronger and 2) pays about double or triple the yield that can come from an outside institution. The theory is that these co-ops actually have enough capital if they could find a way to harness it. Share Credit helps them do that and make cooperative living more affordable.

These statements on the Share Credit program are not a complete presentation.

Here is my summary of the Share Credit program as prepared for the Connecticut Association of Housing Cooperatives (CVCHA), which is exploring the possibility of collaborating with Share Credit in developing a similar program for housing co-ops in New England.

The Share Credit program, as I understand it, is now being used for both market and LEC kinds of co-ops. The program relies on participating co-ops for (a) processing new applicants for share loans, (b) monthly collections from co-op member borrowers and (c) accepting the consequences of any share loan defaults. This minimizes lender risks and maximizes co-op management and co-op membership responsibilities for the loans. It also makes possible smaller loans, as low as $1,000, and more affordable loan terms.

The lender is a nonprofit corporation owned by the participating cooperatives, which may or may not be members of an NAHC member association. The Share Credit Corporation, which has been making share loans for more than 14 years, now has some financing from NCB and has more than $1,000,000 in outstanding share loans.

Because most of the day-to-day work of processing and servicing its share loans is handled by participating cooperatives, the loans can be as small or as large as the lender and the cooperative decide as a matter of loan policy. Share Credit continues to work to improve its financing arrangements, underwriting standards, documents and procedures.

Share Credit is now making two kinds of share loans: (a) loans to enable prospective new members of participating co-ops to buy their shares and (b) loans to co-op members who for various reasons need cash — effectively providing a service that gives established members financial liquidity secured by the value of their shares of ownership in their cooperative. All loans must meet Share Credit's underwriting standards and the requirements of the cooperative's management or loan committee before loans are made.

Share Credit is now making two kinds of share loans: (a) loans to enable prospective new members of participating co-ops to buy their shares and (b) loans to co-op members who for various reasons need cash .

As CHB editor, I have received many comments and concerns regarding this Share Credit program. Doug Kleine, NAHC's executive director for eight years until earlier this year, points out that an excellent article on the history of share loans was published in NAHC's Cooperative Housing Journal for 2000. That article provides a thoughtful analysis as to the need for more and better share loan providers, especially for the smaller share loans that Share Credit makes available to complement Limited Equity Co-ops and affordable housing generally. It also provides more background for the Atlanta Share Credit program as described above, including some other share loan providers.

The major concern with the Share Credit program is access to funds. The reserve funds of most housing cooperatives, as Alex Miller notes, are generally less than $3,000 per family, are earmarked for other purposes and are clearly insufficient to support a share credit type loan operation. Another serious concern is the continuing level of volunteer effort required by the Share Credit model. It has been suggested that there is a need for "a strong management team that can bridge the gap when volunteers don't step up." A third concern is the potential liability of the participating cooperatives if there are losses due to defaulting members during a time when resales of dwelling units cannot be made at the LEC levels.

I can make available at cost copies of the CHJ 2000 article and the By-Laws of Share Credit Corporation, Loan Servicing Agreement, Share Credit Loan Underwriting Policy and the Bylaws of the Southeast Association of Housing Cooperatives. CHB

Contact
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A Demonstration Cooperative Homeownership Project

One of NAHC's senior cooperative housing organizers and managers, James N. Dancy, president of TechniCoop Inc., who has organized cooperatives for more than 5,000 families since the 1960s, has lined up local financial support and has been in touch with more than 100 families facing foreclosure in Bridgeport, Conn. As soon as an allocation of "bail out" funds under the new federal program becomes available, he is ready to proceed.

Contemplated arrangements for this pilot project to demonstrate how the program can work are as follows:

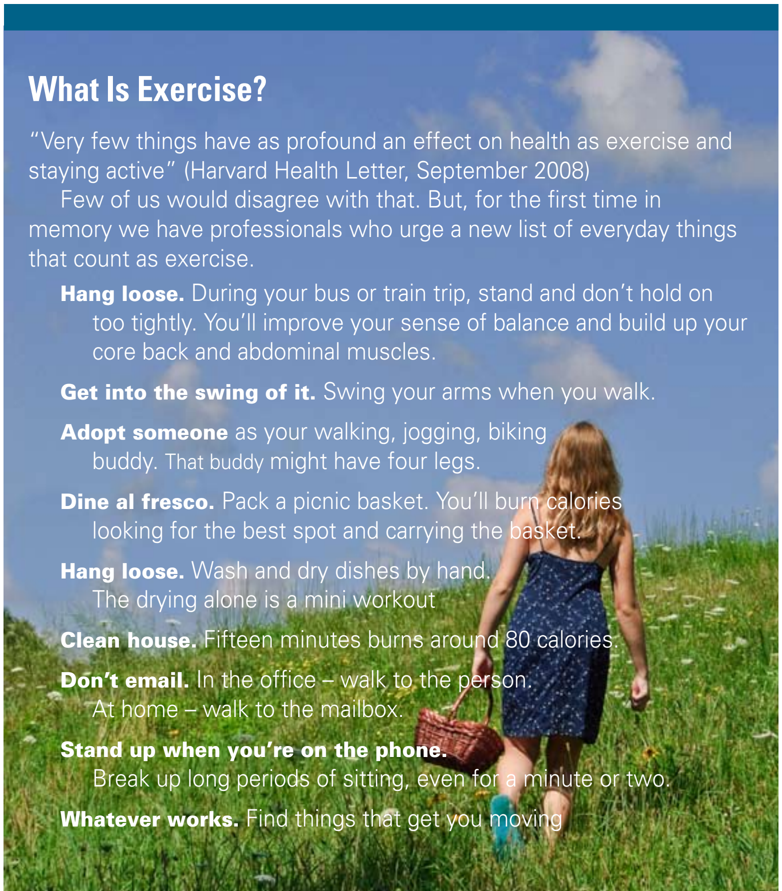
SPONSOR: **Trustees of the Center for Cooperative Housing Inc. (CCH)**, a nonprofit originally organized by NAHC to sponsor conversion cooperatives, will act as the sponsor. Its current trustees include two senior NAHC board members, Alfred Reynolds and Roger Willcox. CCH trustees will be the incorporators of a Connecticut not-for-profit corporation and will serve as its directors until the new cooperative is completed and has elected its resident board of directors. They will arrange for "co-op friendly" continuing support for this pilot project.

BUSINESS PLAN: Since Bridgeport has several neighborhoods and distressed houses are found in most of them, Dancy will work with several neighborhood organizations. It is anticipated that they will play a major role in meetings with potential member families and will help with the banks, appraisers and others in determining the appropriate value of each house and reductions in mortgage loan. They also may help in negotiating deeds in lieu from the families in consideration of their debt forgiveness.

CCH trustees on behalf of the cooperative corporation will in this pilot project be responsible, in cooperation with counsel, for all necessary cooperative documents, budgets and arrangements to go in effect when the cooperative takes title to the properties and assumes responsibility for the mortgage loan. It is anticipated that in most respects the standard HUD documents required for cooperatives insured under Section 213 of the National Housing Act will be used, although it is assumed that the loan for this pilot project will be a conventional one, not processed or insured by HUD.

At the final closing, the cooperative will assume ownership of all the properties and responsibility for collecting monthly charges payable by each member family in accordance with the previously established cooperative corporation budget and documents.

Control of the new cooperative will be turned over to a resident elected board of directors approximately 60 days after the final closings, subject to continuing supervision, training and support by an appropriate "co-op friendly" organization. CHB



What Is Exercise?

"Very few things have as profound an effect on health as exercise and staying active" (Harvard Health Letter, September 2008)

Few of us would disagree with that. But, for the first time in memory we have professionals who urge a new list of everyday things that count as exercise.

Hang loose. During your bus or train trip, stand and don't hold on too tightly. You'll improve your sense of balance and build up your core back and abdominal muscles.

Get into the swing of it. Swing your arms when you walk.

Adopt someone as your walking, jogging, biking buddy. That buddy might have four legs.

Dine al fresco. Pack a picnic basket. You'll burn calories looking for the best spot and carrying the basket.

Hang loose. Wash and dry dishes by hand. The drying alone is a mini workout

Clean house. Fifteen minutes burns around 80 calories.

Don't email. In the office – walk to the person. At home – walk to the mailbox.

Stand up when you're on the phone. Break up long periods of sitting, even for a minute or two.

Whatever works. Find things that get you moving

Free Webinar Series Covers Effective Pest Control

Mark your calendars! The New England Asthma Regional Council (a program of The Medical Foundation), Boston Public Health Commission and Boston Housing Authority are sponsoring a three-part webinar series on Integrated Pest Management (IPM). The series will provide a wealth of practical tools for housing authorities and landlords interested in implementing IPM in affordable housing. This program is made possible by support from the W.K. Kellogg Foundation and U.S. Environmental Protection Agency.

IPM reduces pest infestations by detecting and correcting conditions that lead to pest problems. IPM practitioners block pests' entry points and eliminate their sources of food, water and shelter. Low-toxicity, low-risk pesticides are used as a last resort.

Successful IPM requires a partnership between managers, tenants and IPM contractors, so we encourage you to participate in a team that includes tenant leaders and your pest control company.

The webinars will:

- Explain why IPM is a safer and more effective solution to pest problems than traditional methods of pest control.
- Detail the process of planning, implementing and evaluating an IPM program in public housing facilities.
- Provide information on IPM bid specifications, performance-based contracts and contract management.

Webinar Schedule

Jan. 22 2–3 p.m.
Implementing IPM: A Guide for Managers and Owners of Affordable Housing
Presenter: Susan Altman (Environmental and Social Marketing consultant)
Reserve your spot today at www2.gotomeeting.com/register/913019320.

Feb. 11 2–3 p.m.
Elements of a successful program: A case study from the Boston Housing Authority
Presenters: Gail Livingston, John Kane and Lori Luce (Boston Housing Authority)
Reserve your spot today at www2.gotomeeting.com/register/260795469.

Feb. 23 2–3 p.m.
Working with an IPM Contractor
Presenter: Jonathan Boyar (WatchAll Pest Management)
Registration will open in January.

Please forward this information widely! For more information, contact Molly Brett at mbrett@tmfnet.org or 617/279-2289, ext. 538

CNYC Holds 28th Annual Housing Conference

Submitted by
Mary Ann Rothman
CNYC Executive Director

New Yorker David Smith is the 2008 recipient of NAHC's Jerry Voorhis award, presented to Mr. Smith by NAHC President Mark Shernicoff (right).

Photo courtesy of Ed Yaker.

On Nov. 16, the Council of New York Cooperatives & Condominiums held its 28th Annual Housing Conference, at which close to 700 people spent a day of learning in 75 workshops and seminars taught by 111 attorneys, accountants, property managers, consultants, service providers and experienced board members.

For the second successive year, a delegation attended from Barbara Loatman's cooperative in Boston, and other participants came from as far away as Australia. The NAHC exhibit was prominent in the exhibit hall and was staffed periodically by NAHC President Mark Shernicoff and board members Greg Carlson and Loatman.

Rep. Charles Rangel (D-N.Y.) had been invited to address the assembly at the end of the day. He was unable to be there, but sent a very nice letter, which was read aloud by CNYC President Marc Luxemburg.

Rep. Anthony Weiner (D-N.Y.), an aspiring New York City mayoral candidate, was present and offered words of encouragement about the success of cooperative living.

New Yorker David Smith is the 2008 recipient of NAHC's Jerry Voorhis award, but with the cancellation of the Annual Meeting in Houston, this highest NAHC honor had not been presented to Smith. The CNYC Conference, held just blocks away from Penn South, the large moderate-income cooperative where David has lived since it opened in 1962, provided the perfect opportunity to present the Voorhis award.

NAHC President Mark Shernicoff made a beautiful presentation about Smith, acknowledging his vital leadership role in cooperative housing. Ed Yaker commemorated the event with photographs. CHB