Midwest Association of Housing Cooperatives

MAHC

The MAHC Messenger

October–November 2020

News and Information You Need to Know

The MAHC Messenger October-November 2020 edition is packed with articles of vital interest to cooperative board members, managers, and professionals.

MAHC President Rich Berendson has pulled together a detailed report on the issues associated with holding an annual meeting electronically. President Berendson presents a plan based on the recent MAHC experience of holding its annual meeting remotely on the ZOOM platform.

The organization of annual cooperative meetings is a difficult, ongoing issue in the COVID-19 era. The report covers how to set up electronic meetings, providing appropriate notice, voting, meeting procedures, and establishing a quorum. MAHC will be available to provide technical assistance to members, but the cooperative will run the actual meeting.

Recently, Randy Pentiuk of Pentiuk, Couvreur and Kobiljak P.C. sent out an email containing important information about the Eviction Moratorium now in place. If you are a board member, property manager or professional, then you must educate yourself on this issue.

The Eviction Moratorium is a short-term relief, but there is no magic wand that can wipe away delinquent carrying charges. What to do?

The show must go on. There are some co-op projects than simply cannot be delayed. How can we "Get It Done" without violating the health protocols mandated because of the pandemic? Marlene Dau of Tailor Made Property Services show how dedicated property management employees can find a way to get things done in a safe and secure way.

Find out all about it!

You Are Invited to MAHC ZOOM Webinars!



MAHC continues to fulfill its primary mission to provide quality education to the cooperative housing movement. MAHC has already presented several webinars this summer and fall via the ZOOM online platform at no charge to members and non-members. The MAHC program continues with webinars scheduled in November and December, with additional webinars in the planning stage. The currently scheduled webinars are listed below:



ETHICS — November 7, 2020 at 1:00 p.m. Central Time (2:00 p.m. Eastern Time.

LEGAL LAND MINES — December 5, 2020 at 1:00 p.m. Central Time (2:00 p.m. Eastern Time.

Check your email or the MAHC website at www.mahc.coop for login information.

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Your Cooperative Community Newsletter

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Co-op and professional members are invited to submit articles, items of interest or suggestions for topics to:

Ben Sanders, Associate Editor at:

sanders@mahc.coop.

How to Hold an Annual Meeting Safely

by Richard Berendson, President MAHC

Many Cooperatives are now unable to hold board or membership meetings according to normal procedures because of "shelter in place" orders or social distancing recommendations issued by state and local authorities.

This advisory provides guidance to cooperatives about how they may manage their affairs under current conditions, while also complying with existing corporate laws in the states where they are incorporated and where they operate.

In accordance with most Non-Profit Corporation Acts, the Annual Meeting of Members may meet via electronic meeting technology upon adoption of an appropriate Electronic Meeting Policy.

The board should approve Special and Standing Rules that are applicable to the Annual Meeting of Members when holding meetings utilizing electronic meeting technology (or other electronic meeting technology):

The first requirement is that the board approve an appropriate Electronic Meeting Policy. There is a sample of one in our web portal for information sharing at www.mahc.coop.

Electronic Meetings

Most states allow non-profit corporations to hold both board and membership meetings electronically, through any medium where all of the individuals participating may participate in all matters before the board or membership, unless the corporation's articles or bylaws provide otherwise. Acceptable media include telephone conference calls, videoconferencing systems such as Zoom and WebEx, and assistive technologies meant to facilitate participation by people with hearing loss.

Providing Appropriate Notice of Electronic Meetings

In order for action taken during a board or membership meeting to be legally valid, proper notice of the meeting should be provided to every person entitled to vote at the meeting. While notice requirements vary between states, they do not change simply because a meeting will be held by telephone or videoconference. Organizations moving meetings to a telephone or videoconference format should follow their normal notice procedures, whether those procedures involve printed notice, electronic notice, or both.

Voting and Meeting Procedures

Voting in electronic meetings should be conducted in a manner similar to in-person meetings. Votes of either the board or members may be taken live during a meeting. The person chairing the meeting may call for voice votes on matters expected to be non-controversial. For controversial matters, the chair may take votes by roll call or other procedures established to tally votes individually.

For membership meetings, if organizations have provisions in their bylaws or articles generally allowing for voting by written ballot, the same procedures will remain available when membership meetings are being held electronically.

Zoom only allows one response to any "poll," We then added up the responses. That provided us with the results. We were able to show the results to the people through Zoom in order for them to be able to verify the results were as stated.

Another option is to have ballots placed in a ballot box in the lobby or if there is a management office on site, the shareholders or unit owners can bring them down on a designated night. Companies like Honest Ballot or election buddy have processes in place to help boards supervise and certify the voting process.

Voting

Nominations can be solicited from the "floor." Nominees may be introduced and given an opportunity to make a brief statement.

Establishing a Quorum

A key factor when voting via ballot is one that is also always play when conducting in-person voting - a quorum must be established. You must have enough ballots returned to have established a quorum at the meeting. For example, if you have 100 units and your quorum is 10%, then you must have gotten 10 ballots

back for this to have counted as your membership meeting. And remember, the ballot voting part of this is what counts as your membership meeting, not the Zoom conference.

Minutes

Minutes of telephone or videoconference meetings should be taken and retained in the same manner as minutes of regular meetings. Minutes should reflect all actions taken by the board or membership during a meeting. If meetings are recorded, the recordings should be kept for no longer than the length of time required to prepare minutes, after which any recordings should be destroyed.

The telephone or videoconference meetings should follow Your current procedures and By-laws with a little adjustment due to being electronically.

MAHC technical Assistance is available.

The information above is based on MAHC research and my research to have our meeting and several hours of research on the internet of state and legal reviews. I am not an attorney and recommend reviewing this with your attorney before you adopt it.

MAHC has assisted cooperative members in having their meetings electronically and can provide technical assistance if requested. In our web portal we have samples of procedures and copies of several state statues. The samples are for reference only: you are responsible for compliance with state and cooperative by-laws.

There are a several ways to carry out the annual meeting. On way is to use the Zoom online webinar platform and take the vote using the Polling function questions. Another possibility is the use of the procedure employed by MAHC for the annual meeting. The meeting was conducted using the Zoom webinar and the Election Buddy software platform for the election.

MAHC has a paid subscription for Zoom for one year, so we already have the licenses and there is no cost for us to assist you to learn Zoom. We are doing this a benefit and to help to our members. **MAHC will provide the technical assistance, but the coop will run the actual meeting.**



Calling all MAHC cooperators and professionals! Now is the time to start planning for the MAHC Annual Conference 2021 in New Orleans. 2020 certainly has turned out to be a year to forget.

The annual conference in Denver 2020 just was not meant to happen, but we will be there in 2022 with bells on. We can all get together and sing a chorus of John Denver's "Rocky Mountain High, Colorado."





Now we can all turn our attention to the MAHC Annual Conference 2021 in New Orleans. New Orleans in 2021 will be a wonderful consolation for the 2020 washout. The Conference will be the Cooperative Housing Educational Event of the Year 2021. MAHC cooperators can always be counted on to bounce back, especially if that means bouncing over to New Orleans.

MAHC members can look forward to three days of education and recreation in the "Big Easy, from Monday, June 28-Wednesday, June 30. The Conference will feature over 50 sessions on relevant topics taught by experienced industry professionals, including 2-day Certified Cooperative Specialist (CCS)training taught on Saturday & Sunday, June 26-27. Conference registration will start on December 4, 2020 and end on June 4, 2021. Early bird registration will end on May 7, 2021.

The conference will be held in the Hilton New Orleans Riverside on the banks of the Mississippi in the city center. The hotel is adjacent to Convention Center and Outlet collection and across the street from the Harrah's Casino. Everything you need is within walking (or electric scooter) distance. Of course, you will probably want to step out on the town. In that case, the Riverfront Streetcar stop is right in front of the Hilton Riverside on Polydras Street. The French Quarter and Bourbon Street are minutes away by streetcar.

New Orleans is famous for its many fine restaurants and unique Cajun cuisine. The city boasts 1,400 restaurants, music venues, museums, zoological parks, and aquariums. There are no special tours scheduled for the 2021 Annual Conference because New Orleans itself is one giant tour attraction.



We are going to New Orleans to further the cause of cooperative housing education, but we may as well have some fun. As they say in the Big Easy: *Laissez les bon temps rouler!* "Let the good times roll."

The COVID-19 Eviction Moratorium What Are the Issues?

by Randall Pentiuk
Pentiuk, Couvreur and Kobiljak, P.C.



A few weeks ago, the CDC (Center for Disease Control) issued an order which prohibits evictions for non-payments as long as the resident signs an affidavit attesting to several items, which in brief summary swears that they are making less than $99,000 per year (individually) and that they are unable to pay their monthly carrying charges or rent despite their best efforts, AND that this inability to pay could cause them to be homeless.

Although this Order puts this obligation squarely on the resident to avail themselves of the CDC protections, we are finding that Courts are going above and beyond the call of duty to provide the CDC protections despite whether or not the resident has actually signed or attested to the CDC required items referenced above.

In short, it is unlikely that anyone is getting evicted for non-payment of carrying charges or rent in 2020. Our office is arranging for delinquent members to sign Consent Agreements to Conditionally Dismiss the case as long as they maintain their monthly carrying charge/rent payments and pay the balance of what is owing by the end of the year.

If they default, the court SHOULD sign concurrent judgments and orders of eviction on January 2, 2021, which is the first available date after the courts open after expiration of the CDC moratorium on evictions.

Late fees can continue to be assessed during the next few months. As a landlord you should make sure that you keep ledgers updated indicating these fees.

So, unless there are any further Orders from Congress, the Courts, the President, other regulatory agencies like the CDC, or the Governor this is how our firm will handle things over the next four months.

Of course, every jurisdiction is adapting and developing its own method of handling these cases in this fast-changing environment, so it is important to seek guidance from knowledgeable legal professionals for your court system.





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A MAHC Mentor Your Should Know: Mary Alex Blanton

I joined National Cooperative Bank 21 years ago to work at an organization that makes an impact. Coming out of college I was intrigued with NCB's mission and the support it provided to housing communities and commercial businesses that promoted community.

I was fortunate to spend the first part of my banking career working with housing cooperatives nationwide in providing banking solutions to meet their needs. I spent many years serving the housing cooperatives in the Midwest and made wonderful connections with property managers and board members that I still have today.

I believe education and support is critical to the success of housing cooperatives and I have been fortunate to provide education, sponsorship support and volunteer hours to MAHC and NAHC for several years. While I have transitioned to the Director of Marketing and Communication for National Cooperative Bank, I still stay active to support our business development officers in serving the cooperatives that are members of MAHC.

I also work with MAHC in providing sponsorships to help fund activities critical to their success as an organization which then benefits you as members. Many of you may not know the origin of why National Cooperative Bank was created. NCB was created by an Act of Congress in 1978 to provide banking products and services to housing cooperatives and commercial cooperatives nationwide.

In 1981, NCB was privatized and is a cooperative owned by 3,100 of our cooperative customers. What does that mean? That means We operate for the benefit of our cooperative members—not outside investors. This allows us to focus on our commitment to support affordable housing, healthy food, renewable energy, small business growth, community-driven health care and non-profit organizations.

The primary line of business that is critical to NCB's success is housing cooperatives. We have the industry expertise to help communities in their capital needs as well as full services banking solutions.

A recent example of a project that was completed by NCB was Gill Park Cooperative, located in Chicago, IL. Gill Park is a 27- story building that just completed a three-year, $20 million renovation.

The top-to-bottom overhaul gave each of its 260 units a new kitchen and bathroom with up-to-date plumbing. The interior common areas, including hallways, lobby and community room, were also completely redone.

Seeing the joy of the residents is so rewarding. The rehab truly transformed the building into a wonderful living space for them and now there is a three- to four-year waiting list to move in.

NCB also recently provided a Paycheck Protection Program (PPP) loan to MAHC. Supporting organizations in providing PPP loans aligned with our mission. We helped secure funding for nearly 300 small businesses across the country to help during the pandemic. We are proud to continue to support MAHC and their members during this unprecedented time.

Working with housing cooperative and MAHC members will always be important to me and NCB and we look forward to working with you for many years to come.



Get It Done! Completing Projects in the Time of COVID

Since the onset of the COVID pandemic in March, we all have had to deal with special circumstances affecting cooperative management. As property managers, we have had to develop new capabilities and rules of engagement to continue to serve our clients, customers, members, and our properties. The question is how to adapt to unprecedented circumstances and still "get the work done!".

At Tailor Made, our employees on the front lines have kept things rolling. Despite the many obstacles, we have implemented several impressive capital improvements, as well as trying to conduct on going day-to-day business operations.

Boards of director have kept working for their membership. Decisions have been made that were thought impossible in an era of uncertainty.

Cooperative employees can take complicated issues like COVID-19 and figure out solutions within officially sanctioned guidelines. They can make ongoing projects and operations appear seamless in effort and execution.

This is a ***shout out*** to all those employees in cooperative property management that continue to say: "okay let's figure out how to get it done the right way!"

The pandemic caught several of the properties managed by Tailor Made Property Services in the midst of or nearing the completion of major renovations.

Most of our colleagues in property management and related fields are experiencing the same issues. We could offer many other examples just from our own portfolio of managed properties.

Here a few examples from Tailor Made Properties that show that important projects and continuing operations can all be accomplished and accommodated.

Even in stressful and sometimes confusing times we can carry on with day-to-day management and even initiate new projects!

Colonial Square Homes in Kansas City, MO, has closed on a refinance loan and is starting major work on bathroom renovations, concrete work, roof replacement, and landscaping work.

Woodbridge Commons Cooperative in Lansing, MI, has completed new roofing, continued replacement of porches, new outside lighting, and new microwaves. They have also tackled the process of refinancing their current mortgage.

Neighborhood Commons Cooperative in Chicago, IL, has closed on a refinance loan and taken HUD out of the picture. The co-op is well into the process of replacing all windows, many roofs, and furnace replacement.

North Brighton Townhomes in Kansas City, MO, has tackled the upcoming process of refinancing their current mortgage.

Independence Square Townhomes in Independence, MO is dealing with a substantial fire during that occurred during a timeframe when extra caution in the construction process was required. Work has progressed continuously on repairs and members will be back in their homes soon.

Woodbridge Commons Cooperative, Highleah Townhomes, and Independence Square Townhomes have all managed to hold their Annual Membership Meeting within the parameters of the State guidelines for COVID-19.

In summary, we are sure that all of you can relate to how difficult this has been, but also how Cooperatives have lived up to their model which is taught in the Certified Cooperative Specialist Class that "Cooperative Housing is one of the most stable housing markets, and members understand that they are united in preserving and sustaining this form of housing."

Proud to be part of it!
by Marlene Dau
Tailor Made Property Services (TMPS)
MAHC Director of Education



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Meet the Board Member: Blaine Honeycutt

How long have you been involved in cooperative housing?

BH: I've been in Georgetown for 30 years and 4 years in Kokomo, IN, so that makes 34 years altogether. I worked as an associate pastor in Kokomo, IN and part of the civil defense in Indiana. That's where I got my EMT license.

How long have you been a board member at Georgetown Place?

BH: I've been a board member at Georgetown for 29 years. I've been involved with MAHC as a board member since 2002. By this time, I had attended seven MAHC conferences. I've been an officer since 2004, serving ten years as treasurer and as vice president for six years.



Blaine Honeycutt
MAHC Vice President

As board president of Georgetown, what is the highest priority for the cooperative?

BH: Really, I just want to do the best I can to make Georgetown a safe place for all members not just for families that are bringing up children but for adults and senior citizens as well.

I really want this community to share my pride and passion so that together we can feel honored to live in a well-kept place where we, as a community, are proud to call this cooperative our home. We were able to build a new clubhouse and maintenance building for Georgetown that helps keep the community together.

What inspired you to join the MAHC Board?

BH: The answer is a very strong desire to become more active here in the community, where we live and a driving aspiration to make a personal impact to improve it, not just for my family but for other members, friends and neighbors as well.

As a MAHC vice president, you have taught the New Board Member class at the conference and online; what strengths/qualities do you feel are important to individuals that wish to serve on the board?

BH: That's a three part question, let me just say this; first and foremost, there is a sense of pride in the place you live, from that sense of pride comes a sense of passion to help make your Co-op community the very best place possible. Next, I believe that individuals should possess strong leadership qualities but it goes further than that because effective leaders should have a natural compassion for the individuals that they serve and therefore, they should possess the ability and desire to treat each member of the Co-op community equally and respectfully, this is essential.



The Certified Cooperative Specialist (CCS) in one of the most important components of the MAHC educational program. What are some of the most valuable concepts and practices that you expect cooperative members to take away from the two-day sessions?

BH: They need to know more about their coops and bylaws, how to read financial reports, the history of the cooperative movement. They need to understand more about the business side of running a coop. They also need to understand they are directors, not managers. They need to know the ethics of dealing with the other coop members.

How has MAHC as an organization changed over time? Who are some of the most memorable MAHC associates while you have served on the board? Any interesting stories to tell?

BH: Over the years we have seen a real focus on education. We have developed the tools and resources for the board members to take back to their coops. We have learned a lot more about how to network with the coops. The development of the website and the new email system has really helped.

If you were asked to explain the benefits of MAHC members in a short soundbite, what would you say?

BH: By far that would be the large amount of educational resources and training that available through membership in this organization. It's a great thing to be able to come back to your community and share and implement the educational training. This aspect helps me fulfill my goal to help make my Co-op community the best it can be, because of this our community is constantly growing and becoming better. For sure it's a win-win for both the co-op and the board members as well.

Have you attended all the MAHC conferences since joining MAHC? How have the conferences changed over the years? Which was the most memorable conference?

BH: I have attended all the MAHC conferences since joining. We have zeroed in more on the educational aspect of the conference.

What is the most impor featuret at the MAHC conferences?

BH: Well for sure, the education and instruction are big for me, but the networking aspect of the conferences is immeasurable. The opportunity to network and fellowship with other Cooperative board members is a huge benefit of the conferences. This for sure is a major benefit of MAHC membership.





Lancaster Village Cooperative

The Rebirth of a Low-to-Moderate Income Cooperative

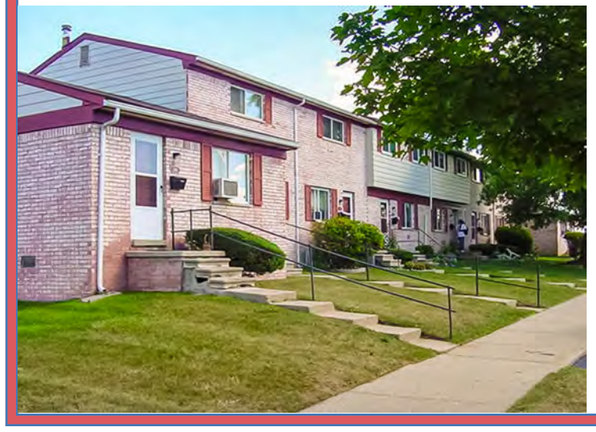
Lancaster Village Cooperative is a 287-unit multifamily housing community that was built under a HUD Section 236 mortgage in three phases that were completed in 1971. This loan provided funds with a mortgage subsidy that reduced its effective interest rate to 1%.

The Cooperative in the late 70s experienced a number of vacancies the required it to obtain Section 8 set-aide assistance. This assistance reduced the Cooperative's vacancy and provided some help the on-going maintenance cost. However, the Cooperative was getting older and key components needed replacement.

In 2005, the Cooperative obtained a refinancing loan with Fannie Mae (through Arbor Commercial Mortgage) under one of first loans in the country that allowed the cooperative to maintain its mortgage subsidy, but obtain financing not utilizing the FHA.

This loan allowed the Cooperative to payoff its existing mortgage, required no increases in basic carrying charges and provided $1,500,000 in much needed renovation funds.

This new decoupling mortgage was in two parts, one of the parts ($1,217,400) was paid by the mortgage subsidy, and the main mortgage ($5,782,600) that included a 15-year balloon, a 5.96% interest rate, with a 30-year amortization. This mortgage had a balloon due on 5/1/2020 in the amount of $4.25 Million.



In the last number of years, the Cooperative experienced some major issues that caused its reserves to be depleted and caused a growing number of vacancies.

These issues included mold and mold related claims and lawsuits, poor decision making by the previous Board of Directors who hired a contractor to completed over $800,000 of work and who was hired on a no-bid basis that was approved by the previous Board of Directors without the input of Management, was incapable of completing the work correctly and on a timely basis. That cost the Cooperative significant additional funds for litigation relating to this Contract.

A new Board of Directors was voted in 2018 and 2019 who worked with Management to correct the poor decisions made by previous Board of Directors and move the Cooperative into the future. They faced the problem of less than $150,000 in current obtainable reserves, and over 40 vacant units with no funds to renovate these units. Many of these vacant units were significantly damaged and needed a lot of work.

Management was able to turn to a Contractor (D.A. Home Improvement) who has been a long- time friend of the cooperative housing communities in Michigan and Indiana to help us through our current dilemma.

We knew that we were going to be able to refinance our mortgage in 2020 but we also knew that our current financial situation of 14% vacancy loss (over 40 vacant units) would not allow us to obtain the funds we needed with a refinancing.

We needed a plan to reduce our vacant units. D.A. was able to provide the Cooperative the ability to complete the renovation of its vacant units and was willing to finance over $520,000 of renovations (interest free during this 8 month period) and wait until the refinance was completed to receive payment on the money they lent the Cooperative. This was just what we needed to start heading in the right direction.

The next step was to hire a mortgage lender that would provide us the maximum refinancing funds at the lowest cost. Hugh Jeffers approached us from Centennial Mortgage Company to discuss the possibility of getting a new FHA mortgage under the 223(f) Program. He indicated that HUD Insured loans have a lot of steps to be approved, but they provided the best alternative for subsidized housing cooperatives.

The Cooperative's Board of Directors chose Hugh Jeffers and Centennial Mortgage to work with them to refinance our loan by May 1st, 2020 with a new HUD insured loan. What could go wrong?

During the middle of our renovation and refinancing process, Covid-19 hit the world. This delayed everything we are doing including renovating vacant units, re-selling memberships for these units, and refinancing our mortgage. There is no way we could be able to complete our refinancing by May 1st, 2020 due to the Virus and we had a $4.25 million dollar balloon payment due that we could not pay and may have resulted in the Cooperative going into foreclosure

Fortunately, Congress passed the CARES Act, that allows the Cooperative to obtain mortgage forbearance from the current lender and allowed us to delay our balloon payment for up to 90-days.

Once the State of Michigan allowed our Contractor, D.A. Home Improvement to begin work again they went full force in getting our units renovated. Our office staff worked very hard on filling the vacant units and we were well on our way.

The Cooperative was able to obtain a new HUD 223(f) mortgage though Centennial Mortgage Company in the amount of $9.5 Million Dollars. The terms of the loan featured a **35-year term** that is fully amortizing with no balloon, a **2.36% interest rate**, with a mortgage principal and interest payment that was even lower thab our current mortgage we were refinancing. This refinancing provided the Cooperative of over $4.2 Million Dollars in renovation funds, $500,000 in additional reserve funds, and the prospect of a very bright future. Currently we are fully occupied with a long waiting list and we are still in the middle or our renovations.

Fortunately, this was all accomplished without a need to raise carrying charges.

These $4.2 Million Dollars of renovation funds are being used for new parking lots and roadways, new concrete in many areas of the Cooperative including walkways, steps and ramps, aluminum wiring retrofitting, all new bathrooms for all units, many new kitchens and kitchen floors in addition to a number of other projects.

The Cooperative will still have over $1 Million Dollars of reserve funds remaining after this renovation for future projects and they will be funding a HUD held Replacement Reserve at a level that will meet all of our future needs.

This could not have happened without cooperation between the Cooperative Board of Directors, Professional Property Services (its management agent), the legal team of Pentiuk, Courveur, & Kobiljak who helped settle the vendor litigation, consulted with the BOD and closed the refinancing transaction, the team at Centennial Mortgage Company, DA Home Improvement, and of course a little divine intervention.



Ask the Co-op Counselor: Walk-In Tubs

Dear Co-op Counselor: We actually have a couple of issues directly relating to our alteration policy. Any alteration, other than interior surface decorating, indoor or outdoor, must first be submitted to the Board for consideration. Recently one of our members who installed a walk-in tub without prior approval had a flooding incident because he installed one with a door that opens out. His grandchildren were playing in the tub and opened the door before the tub was completely drained.

There was substantial water damage to the first-floor ceilings and walls and because of the cost of remediation, we had to submit it to our insurance carrier for coverage. Our maintenance staff recently completed its annual inspections and reported more walk-in tubs that were never submitted to the Board for approval. The Board wants to ban walk-in tubs but we also do not want to run into fair housing issues. What can we do?

Sincerely, Frustrated Board

Dear Frustrated Board:

Walk-in tubs can be an issue for the very reason you mentioned, water damage. Other issues that can come from installation of walk-in tubs include additional load bearing issues due to the large amount of water a walk-in tub can hold over a standard tub. Also, you are correct about fair housing because a lot of folks do rely on walk-in tubs because they are physically unable to step over a standard tub side without risk of injury or falling. Other persons may want to utilize the tub for therapy purposes.

But as a Board you have the authority to approve and disapprove alterations to the interior and exterior of Member townhouses and cooperative apartments. The reason for this is to ensure that (1) the exterior of the property is uniform and neat; and (2) the interior structure is not compromised by alterations that will not work, either because of electrical/plumbing limitations, or with a walk-in tub, load bearing issues.

For this reason, the Board is free to make a uniform rule which prohibits installation of walk-in tubs, but the Board should be ready for any request for a structural modification made which has a reasonable relationship to the requesting person's disability. Now just because someone has a disability and makes a reasonable accommodation request or a reasonable modification request, does not mean that it is always required to grant that exact request.

You can deny a request for a reasonable accommodation or modification if the request was not made by or on behalf of a person with a disability or if there is no disability-related need for the accommodation or modification. In addition, a request for a reasonable accommodation or modification may be denied if providing the accommodation or modification would impose an undue financial and administrative burden on the cooperative. But even if it would be impractical to install a walk-in tub, the Board must be prepared to offer an alternative, perhaps a walk-in shower with a bench.

Before any decision is made however, we strongly encourage the Board to work with your cooperative attorney and make sure he/she understands the nuances of fair housing laws because it can be very tricky. In fact, requests such as these are never cookie-cutter answers because each case is unique to itself.

For those members who have installed walk-in tubs without prior permission, you may be able to require the member to either remove the tub now or, alternatively, agree to assume responsibility of the maintenance of the tub and carry additional insurances to cover any liability issues arising out the use of the tub.

We would also recommend that such a modification, whether installed with or without proper authority, be returned to its pre-walk-in tub condition upon the sale of the membership unless the incoming member also agrees to maintain the tub and carry the additional required insurances.

Again, you should speak with your cooperative attorney to make sure you have the necessary language in your governing documents so there is no question when the time arises. ***Good luck***!

Sincerely, Co-op Counselor
April Knoch, Pentiuk, Coureur & Kobiljak







David C. Coffin Maintenance Facility, Illustration by Mike Ficarra, Kirkpatrick Management Company

HARVARD SQUARE COOPERATIVE

"Excellent maintenance is key to a high occupancy rate"

Harvard Square Cooperative, located on the southside of Indianapolis, was built in 1970 and partnered with Kirkpatrick Management Company in 1973. Through the years, this team has built a reputation for excellent community maintenance, creating a haven on Indy's south side.

Harvard Square consistently maintains an average occupancy rate of 99%. A large part of resident satisfaction is directly related to the 24-hour or less response time on maintenance work orders.

For years the dedicated maintenance team had worked out of a less than ideal 2-car garage. In 2019, the Board of Directors, certain that the community would benefit from an expanded workspace, allocated funds to build a new maintenance facility in 2020. The newly constructed shop is a two-story structure that features a bay door, plenty of shelving for organization, separate workbenches, and golf cart cubicles for all six maintenance employees. Besides the aesthetic improvement, the new facility provides a safe workspace year-round for maintenance technicians, and represents a commitment to the good stewardship and property upkeep that continues to make Harvard Square an excellent place for its residents to live.

On September 21, 2020, Robert S. Kirkpatrick, Jr., President of Kirkpatrick Management Company, dedicated the new state-of-the-art Harvard Square Maintenance Facility in honor of David C. Coffin, a cherished former employee who passed away from cancer in 2009. Rob unveiled the commemorative bronze plaque during the grand opening ceremony, with David's friends and family in attendance.

Additional improvements made during 2019-2020 include roof repairs on all the buildings, replacement of gutters, soffits, and downspouts, repaving parking areas, adding extra parking areas, re-striping, and numbering parking spaces, and installing dog waste stations around the community.

Harvard Square was originally built under a Section 8 HUD grant and has remained a safe, affordable place to live for over fifty years. Staff and residents who have been present during this lengthy period often remark on the rarity of affordable housing having such an exceptionally well-maintained neighborhood. Its no doubt why residents choose Harvard Square to live in and raise their families.

Harvard Square continues to be a community in high demand. In addition to their exceptional maintenance record, the cooperative also boasts low carrying charges that include heat, water and sewer. Harvard is so attractive that waitlists for applicants range anyone from six months to three years, depending on the unit type.

With almost half a century of successful partnership, Kirkpatrick Management and Harvard Square look forward to many more years of cooperative harmony, and a legacy that David C. Coffin's family and the residents can all be proud of.



Harvard Square Cooperative Board of Directors and staff work hard to keep the community in beautiful condition, year after year. Back row (L to R): Jacob Tester-maintenance tech, Jim Young-1st vice president, Aaron Schmitt-maintenance tech, Kathy Pennington-manager, Traci Burkeen-assistant manager, Alyson Alerding-KMC Regional Property Manager, Jeanna Stiles-treasurer, John Hemphill-maintenance tech, Mark Tester-maintenance supervisor. Front row (L to R): Tania Thomas-Secretary, Jessica Lee-2nd vice president, Chris Bowling-maintenance tech, and Patricia Cardinal-President.



President of Kirkpatrick Management Company, Robert S. Kirkpatrick, Jr., dedicates the facility in loving memory of David C. Coffin, with friends and family in attendance at September 21st's Dedication and Ribbon-Cutting Ceremony. Pictured, left to right; Robert Kirkpatrick, Mary Coffin-Tutorow - David's sister, and Teri Coffin - David's widow.

The History of the Midwest Association of Housing Cooperatives (MAHC)

PART TWO: The Michigan Association of Housing Cooperatives is Organized

Late in 1963, a meeting was held at Cobo Hall (now the TCF Center) in downtown Detroit. The members of cooperatives who had met earlier expressed an overwhelming support to establish a formal organization to represent the interests of housing cooperatives in Michigan. Accordingly, the Michigan Association of Housing Cooperatives (MAHC) was organized, modeling its dues and membership structure after those of the National Association of Housing Cooperatives.

The first board of directors was elected and represented a mix of cooperative members and Foundation for Cooperative Housing (FCH) staff.

- C. March Miller II, President
- James J. Tahash, Asst. to the President
- David Page, Asst. to the President
- Dr. D. Samuel Harris, Vice President
- Maurice Shepherd, Secretary
- Hon. Percival Piper, Treasurer
- Wendell Addington, Exec. Secretary

The new organization's first conference in Cobo Hall had the following initial representative membership:

Blackstone Cooperative, Chateaufort Place Cooperative, Colonial Townhouses Cooperative, Cooperative Services, Lafayette Park Cooperative, Pontiac Townhouses Cooperative, Royal Oak Townhouses Cooperative, Royalwood Cooperative, Williamsburg Townhouses Cooperative, Woodward Heights Cooperative and University Townhouses. Several of these original participants are still members today.

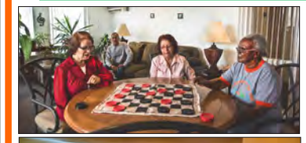
Wendell Addington was head of FCH Michigan operations. Percival Piper, Secretary of State for Michigan, lived at the Lafayette Park Cooperative in Detroit. Dr. D. Samuel Harris and his son Paul were active in creating the first by-laws for the organization. Dr. Harris also lived at the Lafayette Park Cooperative in Detroit, and Paul lived at the University Townhouses in Ann Arbor.

The Initial Period from 1963 - 1972

C. March Miller was the first president of Michigan Association of Housing cooperatives. Followed by James J. Tahash, Paul Harris, Dennis Varian, Al Reynolds, Estelle DePolo, Ray LaRocque. Both C. March Miller II and James J. Tahash later became employed by the U.S. Department of Housing and Urban Development (HUD), where they continued to make great contributions to the housing cooperative community.

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The active involvement of FCH during the early years was helpful to the growth of the new Michigan association. FCH would build association dues into the operating budgets of the cooperatives, assuring the Michigan Association of Housing Cooperatives an ongoing income and membership base.

The expansion of HUD's 221 (d)(3) (BMIR) and 236 mortgage insurance programs allowed for the expansion of cooperative housing in the mid and late 1960s. FCH continued to dominate the Michigan cooperative development market, as it began developing more low and moderate-income cooperative housing.

The Early Years of MAHC

In the first few years of the MAHC organization worked on publishing a strong quarterly newsletter and making sure that dues were paid accurately and promptly. MAHC initiated a program of quarterly training, with an emphasis on education and growth and cooperatives working together as people.

Monthly meetings of the board of directors were held and quarterly training sessions conducted for housing cooperators, managers, and housing cooperative service providers.

The first few years were dominated by FCH involvement; and by 1971 several MAHC cooperators were expressing concern about the dominant influence that FCH wielded over the organization.

A campaign was mounted to change the organizational structure. In addition, several cooperatives from Illinois and Indiana were attending MAHC conferences and meetings by the late 1960s. In 1973 Eden Green Cooperative in Chicago, IL joined, as the organization grew and broadened its scope.

MAHC Becomes the Midwest Association of Housing Cooperatives

MAHC made the decision to reach out beyond Michigan to neighboring states.

The 1973 by-laws were drafted to ensure that housing cooperators were elected to a majority of board seats. Under the new by-laws, cooperators would continue to hold a majority of board seats.

The board of directors of the newly renamed Midwest Association of Housing was made up of 15 housing cooperators, including 12 from housing cooperatives and three from professional or individual positions. Accordingly, a maximum of three seats could be held by persons classified as "professionals."

Continued on page 22

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Mark A. Provo/Account Executive

History of MAHC Part Two (continued)

Al Marcus and MAHC

One of the most important persons in the early years of MAHC was Al Marcus. Al served on the charter board of directors of the Midwest Association of Housing Cooperatives (MAHC) and was very involved in organizing and promoting the cooperative housing movement.

Al was previously employed by the Foundation for Cooperative Housing (FCH), and soon after his hiring was elevated to senior property manager, with the responsibilities to supervise all FCH property managers.

Al Marcus served as one of the first Board of Directors of London Townhouses Cooperative located in Westland, MI. right after its original construction in 1964. London Townhouses was one of the first cooperative housing communities in Michigan. In 1968, Al started his own property management company and later incorporated Marcus Management, Inc. in 1971.

Estelle Marcus, who Al married in 1973, also served as a member of Midwest Association of Housing Cooperatives. Together they owned and operated Marcus Management and furthered the cause of cooperative housing until their joint retirement in late 1992.

Their son, Ralph J. Marcus, serves as CEO and president of Marcus Management and carries on the traditions of specialized property management services for many cooperative communities. In fact, most of the cooperative housing communities that Al Marcus began servicing decades ago continue as clients of Marcus Management.

Many who worked with or benefited by Al Marcus' determination to make Cooperative housing both successful and affordable recently paid tribute to his accomplishments, his friendship, his stewardship and deep devotion to serve the communities he was entrusted to represent. The housing Cooperative community owes a debt of gratitude to Al for his tireless service.

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We want you to know that MAHC is ready and able to stand by and offer help with ZOOM for our cooperatives and professionals that may want to use ZOOM for a meeting. Please contact MAHC for assistance at (734) 955-9516 or at info@mahc.coop. We are here to help you.

Ask the Co-op Counselor

Dear Counselor: If a cooperative gets sued can individual board members be liable?

Signed: Liable to be Liable

Dear Liable:

Generally speaking "no". Although it is uncommon, Board members can be sued individually. This happens for a variety of reasons such as; a member who is going through the eviction process may try to retaliate for a personal vendetta against a Board member.

Or they may use the suit as bargaining leverage in a civil lawsuit. This does not mean you, as the Board Member will be liable. Normally, decisions made by the Board of directors are done in good faith and will not subject the Board Members to individual liability.

In the uncommon occurrence that a Board Member is listed as an individual party to a lawsuit, the insurance policy is likely to defend the Board Member unless there is evidence that the Board Member's actions disqualify him/her from coverage under the policy.

Each case must be individually assessed. The likelihood that you will be individually sued is low, and the chance that you will held individually liable is even lower, providing you are mindful to act in the best interest of the cooperative when making Board decisions. The Corporate structure is intended to protect those who take on the noble task of running the cooperative.

However, it is imperative that you consult your cooperative attorney when making decisions that you feel may result in legal action. Remember that law suits cannot always be prevented, however, it is a good practice to obtain advice from a knowledgeable and experienced cooperative attorney to ensure that you have a strong defense in the unlikely event that a law suit should occur against a individual board member.

Signed: Co-op Counselor (CC)

Dear Counselor: As a board member, I am not sure how I should respond to a member who recently complained about a neighbor creating a disturbance due to excessive noise and loud music that is being played regularly. How do I respond to this? What should my involvement be?

Signed: Keeping up with the Joneses

Dear Keeping Up:

It is important for you to communicate to the member that as a board member you must follow proper protocol. Therefore, you should respond by telling her that outside the Board meeting forum, a Board Member is merely a member. You should instruct the member that she should follow the following protocol:

Contact the local authorities (if appropriate).

She should be encouraged to file a written complaint with cooperative management.

If management believes the situation requires Board intervention then the Board should address the issue.

Signed: Co-op Counselor (CC)

To submit a question to the Co-op Counselor, send your question via email to sanders@mahc.coop. Include "Co-op Counselor" in the subject line. While we will do our best to respond to your question please understand that submission of your question to this forum is no guarantee that you will get a published response.