COOPERATIVE HOUSING *QUARTERLY*

A member service of the National Association of Housing Cooperatives

Summer 2023

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NAHC

PRESIDENT'S COLUMN

The Cooperative Journey

By Fred Gibbs

Fred Gibbs
President

Recently, I became acquainted with a motto of the U.S. Marine Corps, "Improvise, Adapt and Overcome." Much can be learned by applying this approach in the cooperative economy, more specifically housing cooperatives. In fact, I dare say, if a cooperative is to enjoy any level of success for its members, the adoption of the spirit of this motto is critical.

We know the only constant is change. NAHC has faced a good deal of change in recent years. Yet, we have managed to rise and remain relevant to our members and the cooperative movement in general. One key driver of change was the pandemic. Not just the cooperative community was affected, but the entire world faced changes that were not anticipated. There was a need to improvise. A new normal was established in every sector of our lives. New practices were required to help people avoid this new threat. We changed our commerce, our delivery of education, our relationships (business, personal and familial). Meetings went virtual. Conferences were modified. Offices were closed, and work was done remotely. Learning took on an entirely new look from elementary to graduate studies. People embraced cooperation as the need to work together became unavoidably apparent. We improvised.

The leadership of NAHC recognized the need to adapt to the new environment by making some important changes to our operations' model. For many years, we have relied on the full suite of management services from Bostrom, our association management partner. Decisions were made to take some of the management work back in-house to relieve some of the expense burden on our association. This work includes the general accounting, dues billing and collection, committee coordination and other tasks. Bostrom will continue to support our annual conference planning and facilitation, as well as other duties under a revised scope of work. This change will result in an initial savings of more than 37 percent over pre-pandemic management fee levels. Additionally, the change will result in a greater number of our members taking responsibility for the health of the organization. We will continue to adapt to changes that affect our ability to serve our members in the most effective and efficient manner.

The final objective of the Marine's motto is to overcome. I believe success is measured in many ways. However, growth in the cooperative spirit is one metric that can be seen on the faces of our members. As we continue to gather at annual conferences, supporting cooperatives with education and training, we grow ever closer to that final objective.

NAHC strongly encourages our members to take a hard look at their operations and identify ways of doing good, better. Change is a good thing. Cooperatives cannot thrive by embracing the status quo. Recently, I attended an organizational meeting of a housing cooperative, following their annual meeting. The newly elected board members were heard saying, "Now, we can go back to the way we used to run the cooperative." It was alarming to hear their plan to undo all the policies of the previous board and make changes that would affect the members. The intent of those board members was to take the cooperative back to practices that were decades old and abandon any operational advances they did not understand. I liken it to a refusal to ditch the massive paper phone book, though all the information one needs is in the phone they hold in their hand. Cooperatives must be willing to adapt to new environments, improvise and make changes that allow for growth and sustainment. By doing so, we will overcome. CHQ

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NAHC
The National Association of Housing Cooperatives

About NAHC

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

Mission Statement

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

Member Associations

CAHC	California Association of Housing Cooperatives
CHANE	Cooperative Housing Association of New England
CNYC	Council of New York Cooperatives & Condominiums
CSI	CSI Support & Development Services
FNYHC	Federation of New York Housing Cooperatives & Condominiums
MAHC	Midwest Association of Housing Cooperatives
NJFHC	New Jersey Federation of Housing Cooperatives
PAHC	Potomac Association of Housing Cooperatives

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About Bostrom

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

Maintenance and the Uniqueness of Reserve Studies for Cooperatives

By Robert W. Browning

Reserve studies for cooperatives can be distinctive from reserve studies for condominiums and other common interest communities. But a reserve study is a reserve study, right? Well, the answer is complicated.

Before looking at what makes a cooperative reserve study unique, an examination of the need for reserve studies is important. According to the Community Associations Institute (CAI), an organization that credentials reserve analysts, along with the Association of Professional Reserve Analysts (APRA), reserve studies serve two purposes: a budget planning tool that identifies the current status of the reserve fund and a stable and equitable funding plan to offset the anticipated future major common area expenditures. This goal is accomplished through two parts: the physical and the financial analyses.

The physical analysis includes the major component inventory, serviceable life valuations and component costing. Generally, this is an expense forecast for the next 30 years. The financial analysis measures the status of the reserve fund and provides a recommended reserve contribution stream, again, usually for the next 30 years. Maintenance of the reserve components is one of the most important parts of the physical analysis as well as extending the life of the cooperative's building. More on that later.

The most important aspect of the reserve study definition is in the phrase: "budget tool." A reserve study is not an engineering or architectural report. It is not as invasive in most cases as a resale home inspection or pest control report. It is purely a budget tool, which goes one step further than most budgets in that the reserve analyst will travel to the cooperative and undertake a visual observation of the accessible areas the cooperative maintains.

When the reserve analyst is working with a cooperative board, areas in both sections of the reserve study described above can make the cooperative study a bit more challenging. Here is an explanation for this difficulty:

Component Inventory

Does the cooperative have more than one kind of housing type involved? Or a mix? Market-assisted and limited-equity cooperatives may have different component responsibilities than a condominium. The reserve analyst must understand how the cooperative maintains its building(s) and who is responsible for the various common area elements. Like condominiums, cooperatives can be hi-rise, mid-rise, townhouse style or combinations of all building types.

Organization of Components

When there are various housing kinds in the reserve study, often the site elements, such as parking, grounds, swimming pools and park areas, may be included in the reserve study. However, separately sorted as each housing type may pay an equal share for their site maintenance while for residence specific components (such as roofing, siding, painting), the percentage share may be proportional to the overall cooperative. The proprietary lease/occupancy agreement should spell out these specifics. But more importantly, the reserve analyst should have a grasp on who maintains each building element and to what extent.

Financial Analysis

If there are multiple housing types in the cooperative, the second part of the reserve study dealing with funding can get just as complicated as the physical analysis side. Based on the proprietary lease/occupancy agreement and deed restrictions, the existing reserve funding may be restricted for certain purposes. The board and management should ensure the reserve analyst understands all funding sources as well as expense restrictions.

Maintenance

Cooperatives include some of the oldest common interest housing in the United States. It is not unusual to see cooperatives over 100 years old. Consequently, the reserve study is one of the

Cooperatives include some of the oldest common interest housing in the United States.

Robert Browning, PCAM, RS, is the owner of the Browning Reserve Group, LLC. (BRG) and may be reached at bob@browningrg.com and 916/393-0600 or 877/708-0600.

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Maintenance and the Uniqueness of Reserve Studies

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most important tools boards have in their toolbox for ensuring their buildings continue to be safe and in serviceable condition.

A search online will yield many returns for several types of maintenance. In terms of this reserve study, three main types of maintenance — preventive, corrective and deferred — are significant.

Preventive Maintenance

This is planned maintenance carried out at regular intervals so the components at a minimum maintain their estimated useful life.

Corrective Maintenance

Without proactive preventive maintenance, corrective maintenance may be needed to fix or restore components back to such a condition to maintain their original estimated useful life.

Deferred Maintenance

The non-performance of maintenance leads to a reduction of the remaining useful life of the reserve components. This is not a maintenance plan but a lack of one.

The three main maintenance types can be related to reserve or operating funds. Reserves can pay for maintenance with one provision. The scope of work and cost should rise to the level where the maintenance being done increases to the level of a reserve component.

For example, changing the filters in a common area furnace does not usually rise to the level of a reserve component. Yet, replacing a motor in that same furnace may be a reserve expense. What is the difference? If the expense is the cooperative's responsibility, the cost is material, and the need and schedule for this replacement can reasonably anticipated. Then, the expense rises to the level of a reserve component. Always check with the cooperative's governing documents and rely on legal counsel if there is ambiguity in making this decision.

Knowing how the cooperative is special and often more challenging than other common interest communities and forms of governance will ensure the board receives the best reserve study possible from its preparer. The reserve study industry is undergoing changes because of the tragedy in Surfside, Fla., in 2021. Work with your cooperative's reserve analyst to keep abreast of these changes and how they can positively impact the maintenance of your cooperative's building. CHQ

Housing Cooperatives Have Several Financing Options

By Hugh Jeffers

While some may have a negative view of debt financing, it is often the most cost-efficient way to take on significant projects to repair and enhance your cooperative. Cooperative boards should be constantly evaluating their cooperatives' financial performance and physical condition. This exercise allows you to recognize when an influx of money is needed, or financial performance can be improved. Often, the best, most cost-effective way to address these issues is by taking on a new blanket loan or refinancing an existing loan. Debt financing allows a cooperative to address physical needs of the property at a lower impact on monthly carrying charges than addressing those issues through property cash flows, special assessments or depleting reserves.

Several financing programs are available to cooperatives.

Many reasons exist for taking on financing. These may include the following:

- Improving property cash flow;
- Replenishing replacement and operating reserves;
- Enhancing curb appeal;
- Repairing and rehabilitating your property; and
- Making green retrofit and energy efficient upgrades

These reasons can result in improved property cash flow. They will also enhance your cooperative's value and marketability.

Several financing programs are available to cooperatives. These programs have different parameters and terms. They should be evaluated carefully with your cooperative's goals and objectives in mind. Depending on what your needs are, certain programs and loan terms may work better than others in achieving your objectives. The primary sources of financing for cooperatives include FHA-insured mortgages, Fannie Mae, Freddie Mac, the National Cooperative Bank (NCB), community development financial institutions and local/community banks.

The U.S. Department of Housing and Urban Development (HUD) approves private lenders to complete these loans to provide FHA-insured mortgages. The federal government insures these loans against loss to the lenders. Because of this arrangement, these loans have the longest terms and lowest fixed interest rates, and, therefore, lower payments of all loan programs available to cooperatives. While that is a significant advantage, these loans have a longer application process and higher up-front due diligence costs/fees than other programs. The programs available to cooperatives include the FHA 213 program for new construction and major rehabilitation of existing cooperatives, the FHA 223 (f) program for refinancing and moderate rehabilitation and the 241 program which provides a second mortgage for cooperatives that have an existing FHA-insured mortgage. The underwriting standards are very advantageous for cooperatives, and the loan terms range between 35 and 40 years. These loans fully amortize, meaning there are not any balloon payments as other programs may have.

The Federal National Mortgage Association, better known as Fannie Mae, is a government-sponsored entity that provides mortgages to multifamily and cooperative housing through an approved lender network. It was founded in 1938 during the Great Depression as part of the New Deal to help expand secondary markets for mortgage loans. Interest rates are typically higher than FHA mortgages. Their loan programs have various terms from 10-to- 30 years. Typical terms are 15-to- 20-year loans that amortize on a 30-year basis that results in a balloon payment in year 15 or 20 that will need to be refinanced. This creates a situation where the cooperative will be subject to interest rate risk since the rate may change based on market conditions at the time of refinance. This scenario is unlike the FHA-insured loans that have fixed interest rates and fully amortize over 35 or 40 years. The application process is simpler and quicker than FHA. There are lower due diligence costs/fees to the cooperative although underwriting parameters are not quite as favorable as FHA's.

The Federal Home Loan Mortgage Corporation, also called Freddie Mac, is another government-sponsored entity that was created to expand secondary mortgage markets in 1970. They also provide loans through approved lenders to housing cooperatives. Their terms and conditions are very similar to Fannie Mae. While Fannie Mae is active in all markets across the United

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Hugh Jeffers is an originator at Centennial Mortgage Bank and chair of the Development & Preservation Committee. He may be reached at hjeffers@centennialmortgage.com and 202/415-1862.

▶ **Housing Cooperatives Have Several Financing Options**
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States, Freddie Mac seemingly is more selective. They may be interested in a cooperative loan in a primary market but not as interested in a secondary market.

NCB is a congressionally chartered cooperative bank that the National Consumer Cooperative Bank Act created in 1978, specifically to provide financial services to the cooperative sector of the economy. Since its inception, NCB has been a strong advocate for cooperative housing. NCB provides loans to cooperative housing, typically at similar terms to Fannie Mae loans. Application processing and due diligence costs/fees are similar as well. Because of their understanding of the cooperative model and its financial resources, NCB may have greater flexibility in structuring its loans than FHA, Fannie Mae or Freddie Mac.

Community development financial institutions (CDFIs) are private financial institutions that were created to provide banking services to communities and areas that are not well served by traditional banking sources. Several CDFIs support cooperatives generally with the primary ones being Rochdale Capital and Shared Credit Cooperative. Both institutions focus on the cooperative segment of the economy and housing cooperatives. Their loan terms tend to be shorter and have higher interest rates than other sources of funding; however, they also have greater flexibility and lower overall costs than most programs and tend to make smaller loans.

Local banks and community banks can also be a source of mortgage loans for cooperatives. However, this is dependent on the market. Community banks tend to have a strong focus on the local community; therefore, they are more open to co-operative lending. Loan terms are typically shorter, and interest rates are higher than FHA, Fannie Mae or Freddie Mac. However, they have greater flexibility.

Not all loan programs will work for your cooperative, depending on your goals and objectives. NAHC works with members through the Development & Preservation Committee to help evaluate your property needs and financing options on a regular basis. If you need assistance, please reach out to the committee for help. CHQ

Singer Harry Belafonte Leaves a Legacy of Cooperative Organization, Activism

By David J. Thompson

When he passed this spring, Harry Belafonte was a steadfast supporter of cooperatives as a viable solution to social ills. His journey started with founding a housing cooperative in New York City.

Despite Belafonte's fame as a singer, actor and civil rights activist, he could not rent or own an apartment with his wife in midtown Manhattan in the late 1950s. Belafonte wrote in his book, My Song, "The message conveyed, either implicitly or overtly, was that we'd be happier in some other neighborhood. I heard the message loud and clear."

In response, Belafonte sent his own message by calling a press conference announcing he had filed a formal complaint with the city. Eleanor Roosevelt was one of those who read the news.

In her nationally syndicated column, My Day, published on October 20, 1958, the former First Lady, penned, "I am sure that every New Yorker was shocked the other day to read that Harry Belafonte and his charming wife and baby were finding it practically impossible to get an apartment in New York City except in what might be considered segregated areas or in a hotel."

In that same column, she highlighted housing cooperatives as one of the solutions for de-segregation.

A few months later, Belafonte and his wife found a four-bedroom apartment they liked at 300 West End Avenue, but when they tried to rent it, the apartment was "suddenly unavailable."

Belafonte recounted, "Furious, I sent a white friend – Mike Merrick, my publicist – in as my stalking horse." The landlord conferred the lease to Merrick who passed it on to Belafonte who countersigned it. Upon meeting the new tenants, the building owner responded by telling Belafonte to pack up and leave, but he refused.

Belafonte commented, "The whole concept of co-ops was just beginning to take hold. What we were proposing would soon become a trend. We would buy the building outright from its owner, then try to sell as many of the apartments as possible to the tenants who lived in them. Any tenant who preferred to keep renting could do that."

Belafonte and his partners bought the building with him putting up most of the funds. The other tenants purchased shares, and the housing co-op was created.

"We didn't just invite black friends, though. Our goal was integration not 'reverse segregation.' Eventually, 300 West End Avenue became known as 'Harry's building.' Strictly speaking, that was no longer true; when the building went completely co-op, I no longer owned any part of it besides our fifth floor combined apartments. But I was glad to have a home that was mine."

On April 4, 1967, Martin Luther King made his controversial anti-war speech at Riverside Church in New York City. In the days before the speech, King was staying with Belafonte at his cooperative.

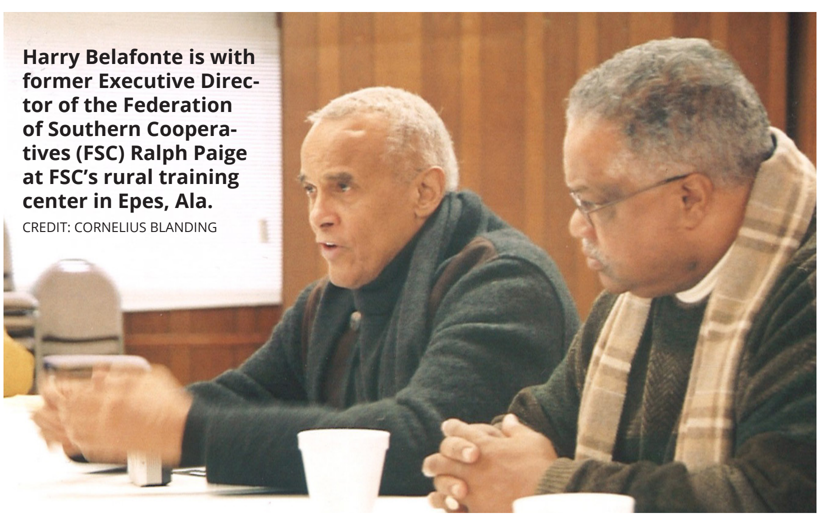
Belafonte also cared about other forms of cooperatives. Another one was the Freedom Farm Cooperative that civil rights leader Fannie Lou Hamer started in Ruleville, Sunflower County, Miss. Hamer knew there would be no safety unless a cooperative owned the land rather than leased from a landlord. Only 71 blacks owned land in Sunflower County, which had a black population of 31,000.

In 1969, Belafonte composed a fundraising letter urging people to donate towards the purchase of land for the cooperative. He also wrote that Freedom Farm was an "example of initiative, racial co-operation and political militancy worthy of the support of all decent Americans." Due to all the various fundraising efforts, the community raised enough money to eventually buy over 700 acres.

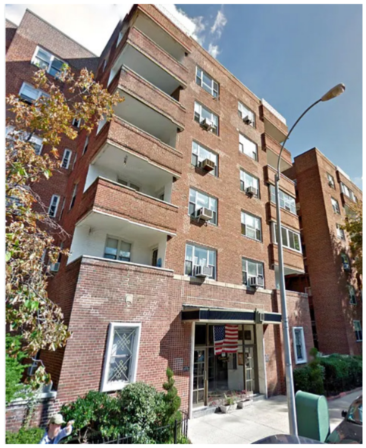
During this time, Belafonte also became a fervent supporter of the Federation of Southern Cooperatives and its many programs throughout the South.

For all his accomplishments, the community is grateful to Belafonte for his life of social activism in the world of cooperatives. CHQ

David Thompson is president of the Twin Pines Cooperative Foundation and co-principal of Neighborhood Partners, LLC, and the recipient of NAHC's Voorhis, President's and Author of the Year awards.



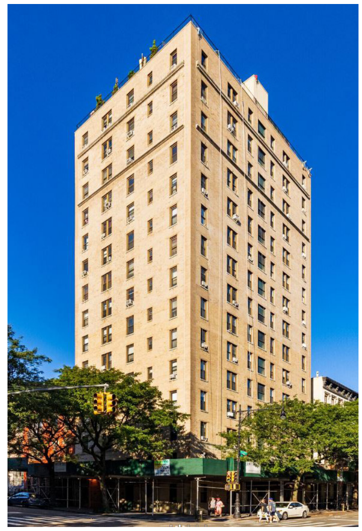
Harry Belafonte is with former Executive Director of the Federation of Southern Cooperatives (FSC) Ralph Paige at FSC's rural training center in Epes, Ala.
CREDIT: CORNELIUS BLANDING



Far left: Located in Yonkers, Carriage House Owners Corp. is a 271-unit cooperative.

Left: Jaxboro Corp., is a 143-unit cooperative located in Jackson Heights, N.Y.

Below: A 57-unit cooperative, 50 West 106 Street HDFC is in Manhattan.



NCB Originated $119 Million for New York Area Cooperatives, Condominiums

NATIONAL COOPERATIVE BANK (NCB) recently originated $119 million to 39 New York area housing cooperatives and condominiums during the first quarter of 2023. This is a partial list that includes the cooperatives described below.

During the first quarter, NCB financed a $12 million first mortgage and a $600,000 line of credit for Carriage House Owners Corp., a 271-unit cooperative located at 1-11 Balint Drive in Yonkers, N.Y. The anticipated capital improvements for the cooperative include balconies, pool repairs and windows.

The bank also funded a $4.6 million first mortgage and a $750,000 line of credit for Jaxboro Corp., a 143-unit cooperative located at 34-41 85th Street in Jackson Heights, N.Y. The cooperative is planning a capital improvement to modernize the elevator.

In addition, NCB backed a $1 million first mortgage for 50 West 106 Street HDFC, a 57-unit cooperative located at 50 West 106th Street in Manhattan. The cooperative is planning capital improvements to install new windows, convert the building heating to natural gas and Local Law facade work. CHQ

THE RCM PROGRAM

NAHC

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

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

As part of the renovation project, CSI created 13 accessible units that feature widened doorways and lowered kitchen and bathroom cabinets for residents with a permanent mobility impairment.
CREDIT: LARK PHOTOGRAPHY

Royal Oak, Mich.: Affordable Housing Cooperative Preserves Senior Housing, Resident-Led Operations

HUD USER PUBLISHES a series of **case studies** based on federal, state and local strategies that increase affordable housing opportunities and support sustainable community development. The projects and community development efforts featured in these reports have demonstrated innovation through a multitude of partnerships and initiatives.

In 2018, nonprofit CSI Support and Development Services decided to renovate Royal Oak Manor Co-op, a 243-unit affordable senior housing cooperative in downtown Royal Oak, Mich. The renovation was an opportunity to upgrade the units of the 11-story building and renew HUD Section 236 funding that would help seniors remain stably housed in the downtown area, which has seen significant economic growth and revitalization in recent years. Reopened in 2022, Royal Oak Manor continues CSI's legacy of cooperative rental housing, whereby seniors exercise democratic control on design, maintenance and programming decisions to contribute to the quality of the community and environment of their housing.

NCF Welcomes Minnesota's Newest Resident-owned Community in Gaylord

THE HOMEOWNERS of Gaylord Mobile Home Park recently purchased their 31-lot/unit manufactured ("mobile") home community to become Minnesota's 11th resident-owned manufactured-home cooperative. The residents, almost entirely Spanish speaking, named their new cooperative community, El Nuevo Amanecer (The New Dawn). The sale of the park to the homeowners defies a national trend of out-of-state buyers purchasing manufactured home communities. In 2021, out-of-state investors purchased 77 percent of all manufactured home communities sold in Minnesota.

El Nuevo Amanecer will function similarly to a traditional homeowners association (HOA). The cooperative members will be able to vote for board members, and the cooperative will make decisions regarding the long-term management of the park, such as homeowner dues, infrastructure projects and other property management decisions. The park purchase was a collaboration between NCF and the Minnesota Housing Finance Agency. Through a grant issued by Minnesota Housing via the Manufactured Home Community

Members of the El Nuevo Amanecer Cooperative pose for a photo after closing on the financing to purchase their community. Pictured left to right: Blanca Nuñéz (treasurer), Humberto Padilla (president), and Amanda Salazar (vice-president).

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COOPERATIVE USA
Share Listing Program

Cooperative Share Listing Program

A new NAHC member benefit is to help cooperatives post and list their available shares on the NAHC website for a small fee. If you have an available share, then the Share Listing Program is here to help. Click the logo to find out more.

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Redevelopment program, the residents were able to purchase their community out of bankruptcy. While resolving an unstable housing situation, the conversion to cooperative resident ownership ensures the preservation of workforce housing in Gaylord. All households in El Nuevo Amanecer work at the local agricultural processing facility.

Clairvue Housing Co-operative provides accessible living for seniors.
PHOTO COURTESY OF THE CO-OPERATIVE HOUSING FEDERATION OF CANADA

Three Ontario Cooperatives Build New Accessible Homes to Address Aging in Place

FACED WITH A NEED for accessible homes so that older members can stay in their communities, three Ontario housing cooperatives have built new homes.

These cooperatives offer lessons for other cooperatives wanting to accommodate "empty nesters" and aging members. The projects they undertook are different, but each cooperative successfully built new smaller units. All three cooperatives designed their new homes for Aging in Place and accessibility.

Many cooperatives across Canada are currently considering whether it is possible to add new or retrofitted units. Fortunately, CHF Canada and other building professionals offer a range of resources to help.

Clairvue Housing Co-operative, 8 New Homes

INSPIRED BY CHF Canada's 2018 Annual Meeting in Victoria, Chatham's Clairvue Housing Co-operative decided to use a vacant corner of its 60-unit property to build eight new stacked townhouses. Responding in 2018 to a municipal Request for Proposals, a new building was completed in March 2020 offering seven new one-bedroom and one two-bedroom apartments.

The units are first-floor accessible and pre-wired so that automatic doors can be installed. Additionally, two of the units are fully barrier free.

Clairvue's new building was specifically designed to include smaller homes that the cooperative lacked, said cooperative manager Renée Kominek. CHF Canada, she said, was an important source of support and guidance.

Corktown Housing Co-op, 17 New Homes

IN 2022, using funding from the Hamilton Community Foundation, Corktown Co-op in Hamilton bought two rundown houses next door to its 60-unit cooperative apartment building. These have been demolished, and construction will begin this summer on a new 17-unit complex with 13 one-bedroom apartments and four townhouses.

Plans call for 13 of the new homes to be barrier-free. The building will include an elevator to the second-floor apartments. Among other design features, all bathrooms will be wheelchair accessible; doors will use levers.

Kingston Co-operative Homes, 38 New Homes

FIVE YEARS AGO, the city of Kingston acquired a large vacant lot next to Kingston Co-operative Homes and approached the cooperative to consider developing the property.

Now under construction, the new building will be finished next spring. Of the 38 new cooperative homes, 28 will be one-bedroom apartments; the other 10 are two-bedrooms.

Cooperative manager Bob Putzlocher highlights how the homes will accommodate members aging in place or facing mobility issues to include: an elevator, automatic doors wide enough for wheelchairs, levered interior doors with no old-style doorknobs and lowered garbage chutes. He gives a lot of credit to the expertise of the cooperative's development consultants and architectural team in achieving the cooperative's accessibility goals. Kingston Co-op Homes found grant funding for several of the technical studies that the project needed. CHQ

Pres. Biden Signs First-time Federal Funding for Manufactured Housing Preservation

JUST BEFORE the new year, the United States Congress passed into law the new Preservation and Reinvestment Initiative for Community Enhancement (PRICE) program, the first programmatic community-level investment by the federal government in manufactured housing and resident-owned communities.

As a subcomponent of a recent Biden Administration proposal to cut homelessness by 25 percent by 2025, the PRICE program will provide $225 million to support the resiliency and preservation of manufactured housing and manufactured housing communities. This level of funding also includes $25 million to provide grants to assist in the redevelopment of manufactured housing communities as replacement housing that is affordable. Further, the most recent congressional spending bill includes funding for up to $2.5 million for technical assistance for recipients of grants under the PRICE program to strengthen urban and rural communities, Tribal communities and areas prone to natural disasters.

The funding could cover the continued cost of maintaining and preserving privately owned infrastructures, such as roads, sewers and water systems. While individual states such as Minnesota have created infrastructure grant programs specifically to help communities improve their aging infrastructure, the federal government previously had no such funding available.

Read more about the process of enacting PRICE into law as the U.S. Department of Housing and Urban Development (HUD) works out details about the program.

New funding from Inflation Reduction Act of 2022 and $4 billion in loan commitment authority will make HUD-assisted multifamily housing more energy efficient, cut greenhouse gas emissions and improve climate resiliency.

HUD Announces more than $837M to Improve Housing Quality, Reduce Energy Costs

HUD ANNOUNCED in May the availability of new funding through the Green and Resilient Retrofit Program (GRRP) to reduce greenhouse gas emissions and improve the energy and water efficiency and climate resilience of HUD-assisted multifamily properties serving low-income residents. HUD Secretary Marcia L. Fudge made this announcement in Center Line, Mich., alongside Senior Advisor to the President for Clean Energy Innovation and Implementation John Podesta. For more details, see the CSI blurb featured in News from Member Associations.

The Inflation Reduction Act provided HUD with $837.5 million in grant and loan subsidy funding and $4 billion in loan commitment authority for this new program. The law also includes $42.5 million for a new HUD initiative launching later this summer to collect and assess energy and water usage data from HUD-assisted multifamily housing properties to better target opportunities to save energy and water, cut costs and reduce emissions. This announcement is part of President Biden's Investing in America agenda to rebuild the economy from the bottom up and the middle out.

Building owners will be able to invest in technologies, such as solar panels, heat pumps, wind-resistant roofing, insulation, low embodied carbon materials and other measures that will reduce greenhouse gas emissions and make properties healthier and safer for residents in the face of more severe weather and a changing climate. The program's implementing notice and Notices of Funding Opportunity (NOFOs) detail a range of grant and loan funding options for multifamily housing owners with varying levels of expertise with green retrofits.

GRRP is the first HUD program that simultaneously invests in energy and water efficiency, greenhouse gas emissions reductions, clean-energy generation and climate resilience strategies in multifamily housing. In doing so, it tackles the climate crisis and reduces costs for households. In alignment with President Biden's Justice40 initiative, funding provided under the program is targeted to housing serving low-income families. These investments will help combat the climate crisis, furthering President Biden's goals of reaching net-zero carbon emissions by 2050, and supporting equitable economic development in American communities. CHQ

NEWS FROM MEMBER ASSOCIATIONS

California Association of Housing Cooperatives (CAHC)

CAHC is mourning the loss of its stalwart housing cooperative advocate, Alfred Reynolds, who passed away on April 24.

Reynolds was the president of Alton Property Management Corporation along with his partner, William Hutton. Reynolds managed the following properties: Oak Center Homes, Glenridge Apts., Heron Court Apts., Capitol Manor, Inc., Banneker Apts. and Jones Memorial Senior Homes.

These properties are members of CAHC and the NAHC, through Alton Management Corporation, for which he offered training and education along with encouraging participation in NAHC's yearly conferences. Reynolds was also a long-time member of the NAHC board of directors.

Additionally, CAHC is planning its July annual meeting on code of conduct for board of directors.

Council of New York Cooperatives & Condominiums (CNYC)

CNYC is hosting its 43rd Annual Housing Conference virtually on Sunday, November 12.

CSI Support & Development Services (CSI)

CSI hosted a U.S. Department of Housing and Urban Development (HUD) press conference in May in front of Dunn Family Co-op in Centerline, Mich., for Secretary Marcia L. Fudge, who announced $837M in grants to help make multifamily buildings for low-income residents greener in its new Green Resilience and Retrofit Program (GRRP). See News from All Over for more details.

Secretary Fudge was accompanied by John Podesta, senior advisor to President Biden for clean energy innovation and implementation and who also spoke during the press conference. HUD highlighted Dunn's recent air source heat pump installation as the future of electrification of affordable housing.

Secretary Marcia L. Fudge speaks at the Dunn Family Co-op in Centerline, Mich.

Additional speakers at this press conference were Centerline Mayor Pro Tem Rich Moelle, Detroit Mayor Mike Duggan, Michigan State Housing Development Authority (MSHDA) Executive Director Amy Hovey, CSI Chief Executive Officer Anne Sackrison and CSI Board President Annie Mitchell. Mitchell captivated the audience with her personal story of moving into New Horizons Co-op 16 years ago and how volunteering for her cooperative and for CSI Board changed her life. Then, Mitchell introduced Secretary Fudge.

Before the press conference, Mitchell and Sackrison conducted one-on-one time before and during a tour of the first floor at Dunn Family Co-op. They visited a Dunn member's new apartment to see the new high-efficiency heating and cooling system, as well as to preview the major rehabilitation, scheduled to start this fall. This apartment was mocked up for members to see what their apartments will look like at the completion of the full project.

After the press conference, a round-table discussion ensued in Dunn Family's community room about the importance of climate control; how apartment owners can make a difference; and how residents (members) can be partners in green retrofit and resiliency goals. Alexis Pelosi, HUD senior advisor for climate moderated this panel. HUD representatives, local dignitaries and representatives of several CSI's partners, including MSHDA, Enterprise Community Partners and The Elevate Initiative participated. CSI representatives also took part: Dunn Family President Jim Toney, CSI Board Member Sheryle Morey, CSI National Development and Finance Manager Diane Smith and Sackrison.

Midwest Association of Housing Cooperatives (MAHC)

MAHC celebrated its 60th anniversary in Las Vegas, Nev., May 20-24. Courses included Dealing with Non-Compliance/ Mental Illness, Maintenance & REAC for your Co-op and Active Shooter: Preparing a Safe Room. MAHC also conducted classes for the Certified Cooperative Specialist (CCS) program.

For 2024 MAHC will convene its annual conference at Atlantis - Paradise Island, Bahamas, May 19 - 22.

Potomac Association of Housing Cooperatives (PAHC)

PAHC kicked off its opening ceremony during its 47th annual conference on April 28 in Ocean City, Md., with a strut your stuff parade featuring members wearing their cooperative tee shirts, caps and sweat suits.

PAHC educated its members via the following courses: Board Training, When the Mortgage Is Paid Off, Reserve Study, Financial, ABCs of Rehab, Fair Housing and Customer Service. Members also met their board candidates during a forum and participated in the annual meeting.

The conference culminated with an all-white attire dinner and dance affair on April 29. CHQ

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FOR MORE INFORMATION:

Andy Lopez
National Account Manager
561-591-5032
Andy.Lopez@LowesProSupply.com

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Democracy Takes Time

By Judy Sullivan

The most recent polling data puts the U.S. Congress' approval rating at 20 percent. It appears that most of us do not think much of our congressional representatives. It is often said in Washington, D.C., that everyone thinks that their members of Congress do a pretty good job and that the problem is everyone else's representatives. While it is true that issues move at a very slow pace in Congress, if at all, considering modern technology, Congress is a dinosaur. So many of us see issues as black or white, right or wrong, and we cannot understand why they cannot be resolved quickly. Unfortunately, that is just not how Congress works. Competing interests, long-term ramifications, compromise, as well as politics, weigh into the consideration of every issue. Simply put, democracy takes time because everyone wants the opportunity to weigh congressional issues.

Disaster Relief for Housing Cooperatives

We are currently working with the Community Associations Institute (CAI) on a bill that will provide Federal Emergency Management (FEMA) grants to cover the common areas of housing cooperatives in the event of a nationally declared disaster. Under current law, common areas such as roofs, hallways, laundry rooms and the outside of a housing cooperative are only eligible for Small Business Administration (SBA) loans. This distinction is significant because grants do not have to be repaid whereas loans do have to be repaid.

Rep. David Rouzer, R-N.C., has agreed to offer legislation to resolve this issue for us. We need Rep. Rouzer to introduce the bill because he is a Republican member of the House Transportation and Infrastructure Committee, and Republicans control the House. Once introduced, the bill will be immediately assigned to this committee for consideration.

In the next several months, we will be working on garnering congressional support for the bill as well as reaching out to you to contact your representatives to encourage them to co-sponsor and support it. We are hopeful that this time around, Congress will pass this legislation so that the next time a disaster strikes, housing cooperatives, like all other homeowners, will be fully covered to receive FEMA grants to help them fully recover from disasters. CHQ

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

2023 COOPERATIVE CALENDAR

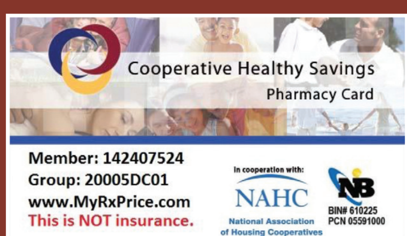
OCTOBER IS CO-OP MONTH

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

NOVEMBER

6–7	Registered Cooperative Manager (RCM) Certification/Recertification; The Westin Beach Resort & Spa at Frenchman’s Reef, St. Thomas, U.S. Virgin Islands
8–11	63rd Annual Conference of the National Association of Housing Cooperatives; The Westin Beach Resort & Spa at Frenchman’s Reef, St. Thomas, U.S. Virgin Islands
12	Council of New York Cooperatives and Condominiums’ 43rd Annual Housing Conference Virtual

Free Pharmacy Discount Cards and Cooperative Healthy Savings Program



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

NAHC
The National Association of Housing Cooperatives

1120 20th Street, NW, Suite 750
Washington, DC 20036-3441
202/737.0797
www.NAHC.coop

Untapped Potential of the Cooperative

By Fred Gibbs

Fred Gibbs
President

I AM DEDICATING THIS COLUMN to the memory of Gregory Carlson, NAHC's former board chair and the chairman of the RCM Board of Governors. Carlson attended to his duties forperative spirit. CHQ