COOPERATIVE HOUSING
*QUARTERLY*

*A member service of the National Association of Housing Cooperatives* Summer 2024

CONTENTS



NAHC

**PRESIDENT'S COLUMN**

# 2025 UN International Year of Cooperatives

## *What It Means Locally*

By Fred Gibbs

Fred Gibbs
President

On November 3, 2023, the United Nations General Assembly adopted a resolution proclaiming 2025 as the UN International Year of Cooperatives (IYC).

According to the Committee for the Promotion and Advancement of Cooperatives (COPAC), there was recognized success from the 2012 International Year of Cooperatives. The work resulting from that proclamation provided increased awareness of the cooperative model, with focus on inclusive economic development across a variety of sectors. The current proclamation is expected to have the same, if not greater, effect on adoption of cooperative economics as a solution to economic and social marginalization of peoples across the globe.

The question facing local economies and, more specifically, the housing sector is: *How does this impact the way housing cooperatives develop, operate, and thrive?* The answers may surprise you, as they are linked to simple grassroots advocacy efforts by housing cooperators and others who understand and appreciate cooperative economics.

It has often been said that housing cooperatives are a "best kept secret." It follows, then, that the key to unlocking the full potential of the cooperative model is through education. We can ill afford to allow this form of homeownership to be secret any longer.

Fifth among the Cooperative Principles, often referred to as the Rochdale Principles, is Education, Training and Information. While this Principle must be part of the housing cooperative's foundation and the platform from which members plan their future, it must also be used to ensure the proliferation of the cooperative model. It must be part of the broader economic discussions had by federal, state, and local governments, as well as individual communities. The recognition by the United Nations of the 2025 IYC has the potential to open doors that have been closed far too long due to a lack of awareness. It can also prove to be a pivotal point of policy change, particularly as it relates to addressing the housing crisis in America.

International Cooperative Alliance

> **Recognition by the United Nations of the 2025 IYC has the potential to open doors that have been closed far too long due to a lack of awareness.**

A targeted approach to public awareness relative to the cooperative economy can educate policy makers and government officials on why cooperatives matter. Education topics for consideration include increased access to homeownership, business sustainability, local workforce housing initiatives, diversity equity and inclusion, and democratic control and empowerment. These are only a few of the discussion points that can be advanced using the 2025 IYC as a launch platform.

### The Right Message for the Right Audience

It is imperative to be strategic in the approach to messaging. When creating the strategy, a few questions to ask are:

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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.



For addresses of all associations and committees, please email info@nahc.coop.

### About Bostrom

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


COMING SOON

# NAHC's 64th Annual Conference

NAHC's 64th Annual Conference meets Wednesday–Saturday, October 23–26, 2024, in Vancouver, British Columbia, Canada. As always, the conference will be preceded by the two-day RCM Training and Certification Workshop, Monday and Tuesday, October 21–22. Conference sessions and events will take place in two downtown hotels, the JW Marriott Parc Vancouver and the Douglas.

NAHC's Annual Conference is our opportunity to gather as members and professionals to do what cooperators do best: share their knowledge and experience, their enthusiasm, and their commitment to the Cooperative Principles.

Training and educational programs scheduled for the conference continue NAHC's tradition of adding value to cooperatives by helping boards, officers, and other volunteers build the skills they need to lead in today's challenging environment.

### What You Can Gain

Conference programs are structured around strategies and practices that members can take back to their boards, staff, and neighbors. **Here are some of last year's popular sessions and what participants said they liked best about them:**

### Managing Today's Challenges

- **BULLIES, GUNS, AND MEETINGS** *"Life examples that you can relate to." "Learning about open board meetings." "Examples of the different areas and defining bullying." "Creating a bullying policy."*
- **MARIJUANA LAWS** *"The dos and don'ts and how to handle." "Knowing the differences between types of marijuana." "Finding solutions."*
- **CUTTING EDGE COMMUNICATIONS** *"Different resources for email and storage." "Board applications and storage management for member fees." "New information and free websites."*
- **CONFLICT RESOLUTION** *"Breaking into groups and finding what works and what doesn't." "Turned out to be several common problems."*
- **ACTIVE SHOOTER IN THE BUILDING** *"What to do and what not to do." "A serious discussion of this subject."*
- **HOT TOPICS IN HOUSING COOPERATIVES** *"Learning about charging stations and discounts for electric vehicles."*

### Governing a Co-op

- **RESPONSIBILITIES OF THE BOARD** *"Duties of board members and ethics." "… especially policy and finance." "Information about the documents we need."*
- **BOARD MEMBERS, HOW TO STAY IN YOUR LANE** *"Discussion of foundational documents." "Delving into management relationship." "Where the lane starts and ends."*
- **HOW AN RCM SUPPORTS MEETINGS** *"The responsibility of the board regarding management." "How to be present for the co-op board." "Understanding the lines and lanes." "Just knowing all detail about what management's role is."*
- **ASSISTIVE ANIMALS** *"Didn't know so many animals were allowed to be any size." "Knowledge of the pet laws." "The difference between service animals and assistive animals."*
- **CREATING COMPLIANT MEMBER SELECTION CRITERIA** *"Better understanding membership criteria and requirements."*
- **CONSTRUCTION/CAPITAL RENOVATIONS** *"Confirms what needs to be included in contracts." "Knowledge of renovations and not getting burned by contractors."*

### Being Part of the Solution

- **IS SELF-MANAGEMENT FOR US?** *"The pros and cons of self-managing." "Hearing the real-life experiences."*
- **COOPERATIVE POLITICAL SCIENCE** *"Hearing of different situations with possible solutions at different co-ops." "Everybody sharing from their experience."*
- **LOBBYING 101** *"Basic insights on how to present laws on housing cooperatives." "How we can help push the mission." "Good information on the latest bills that affect housing cooperatives."*
- **THE POWER OF WORDS** *"Attendees pouring positive words into each other." "I was nodding in agreement the whole time."*

### Check Your Calendar

Deadline for Regular Conference Registration is Tuesday, September 10, 2024. Late fees will apply after that date.

### Check Your Passport

Please note that valid passports are required for travel to and from Canada. In most cases, passports must be valid for at least six months after the expected end of your trip. Renewing a passport can take up to 10-12 weeks, so if you need a new one, it is a good idea to start the process now.

For more information on NAHC's 2024 Conference or to register, go to coophousing.org/annual-conference. CHQ

# RCM Board of Governors Readies New Curriculum

For more than 20 years, NAHC's Registered Cooperative Manager (RCM) program has been the gold standard in education and certification of cooperative management professionals. Now, we are well on the way to setting that standard even higher as the RCM Board of Governors completes a major update to the program's curriculum that will reflect the needs of cooperatives today, presented in comprehensive educational modules for cooperative housing managers.

As with so many other aspects of contemporary life, the updates were brought about in part by COVID. According to Nicole Redding, co-chair of the RCM program, "The Governors realized that much of our material needed to be updated to align with current real estate laws — especially regarding the management of cooperatives after COVID. We also wanted to incorporate new educational requirements that relate to cooperative management today."

### Management for Today's Co-ops

One goal was to expand the curriculum to include advanced financial management topics as they relate to managing cooperative finances in uncertain economic conditions, says Nicole. For example:

- understanding specific tax issues that are associated with cooperatives;
- exploring innovative financing options; and
- navigating and understanding how to leverage public funding and grants for cooperative developments.

Managers also will learn to develop strategies for enhancing community and member engagement and to open lines of effective communication as they work towards building a collaborative and inclusive culture. In a shift from traditional, lecture-based teaching, the updated curriculum will feature more interactive approaches, including role playing and real-world problem-solving exercises.

### Real-World Approaches

Ethics has been a core component of NAHC's RCM program, and the updated curriculum will reinforce ethical practices by integrating familiar life scenarios and dilemmas that cooperative managers might face, and by discussing strategies for maintaining transparency and accountability.

In addition to Nicole, members of RCM's Board of Governors who are working on the curriculum include co-chair Kimalee Williams; NAHC president Fred Gibbs; and NAHC chairman, Ralph Marcus.

"We hope to have the new curriculum complete as soon as possible so that new RCMs can implement the updated educational strategies and be better prepared to meet the challenges of today's housing environment," Nicole adds. "Please be sure to include your cooperative manager in the class that receives the training and earns their distinguished RCM designation at NAHC's Vancouver Conference." CHQ

1. **WHO NEEDS TO KNOW?** Make a list of lawmakers, policy leaders, thought leaders, people in the finance community, social and economic developers, and other key community leaders.

2. **WHAT IS MOST IMPORTANT TO THEM?** It is important to understand the goals of decision- or policymakers as well as the goals of their constituencies and respective audiences. For example, some communities are faced with underutilized housing stock that might have fallen into disrepair and need solutions that will either remove the blight altogether or that will revitalize the area, having an impact on the citizens of the community. Additionally, there could be financial barriers to homeownership when people are perceived as being part of a high-risk population. Housing cooperatives solve this problem because individuals become part of the larger group and the risk is mitigated. Every community can use a win.

3. **WHERE CAN COMMON GROUND BE REALIZED?** There is no shortage of need when it comes to housing, which means there are many opportunities for cooperatives to make their case. For example, cooperatives can solidify communities through the creation of workforce-based housing. By using cooperatives as a community stabilization solution, local governments can reduce population decline due to the lack of attainable housing options by local workers, so both workers and governments stand to benefit. This can be particularly effective in rural and near-rural communities that face challenges of losing their talent and workforce to larger metropolitan centers. These housing solutions can also attract businesses or enhance an already growing business environment.

4. **IS THE RISK WORTH THE REWARD?** The answer is yes. Cooperatives offer business stability that exceeds that of traditional corporations. According to an article by Dr. Jessica Gordan Nembhard, cooperative businesses have lower failure rates than traditional corporations/small businesses. This holds up after the first year (10% failure versus 60-80%) and after 5 years in business (90% still operating versus 3-5% of traditional businesses) *(World Council of Credit Unions study in Williams 2007)*. Evidence also shows that cooperatives successfully address the effects of crises and survive crises better (*Borzaga and Calera 2012*).

**Housing cooperatives ... are models that show people of all walks of life cooperating through housing and taking control of their part in the American dream.**

Local ownership is an additional benefit. Housing choices are increasingly diluted by absentee owner/investors who often are hidden behind trusts and limited liability corporations with no ties to the community in which the housing is being offered. Therefore, they have little concern about the wellbeing of the community or its historic significance. In contrast, housing cooperatives are owned by the persons who reside in them. You can't get more local than that. The risk is low and rewards can be quite high.

Standing as an example of the protection of workforce housing is the recent formation of the Waipouli Housing Cooperative on the island of Kaua'i. Tenants of the Courtyards at Waipouli have organized to establish a housing cooperative. Their initial goal is to purchase the 82 unit building from its out-of-state owner and offer memberships to local workers on the island.

Housing stock is very limited on Kaua'i. The people who actually drive the local economy through their labor and small businesses find it practically impossible to secure housing they can afford. Informing and educating local as well as state government officials has played a huge role in this cooperative's development. NAHC, through the Development and Preservations Committee, is providing support and assistance to this newly formed cooperative and I have the privilege of serving on its provisional Board of Directors.

## What You Can Do

Cooperators must seize this opportunity to become cooperative organizers, educators, and overall cheerleaders for the model. Your cooperative should be visible and vocal at all levels of local government.

Tell the story. Introduce the model to those who might not know the benefits of cooperative housing. Demonstrate instances of the model serving all social and economic levels. While housing cooperatives can be an affordable housing solution, they are not relegated to being a low-income housing source. They are models that show people of all walks of life cooperating through housing and taking control of their part in the American dream.

Visit the websites of the United Nations International Cooperative Alliance or simply type IYC 2025 into your search engine to find out more. Learn ways you can educate, celebrate and participate in the IYC 2025. You owe it to your cooperative and cooperatives worldwide. CHQ

ANNUAL AWARDS

# Honor Those Who Support Co-ops

**NAHC'S ANNUAL AWARDS** are a chance to give thanks and recognition to the people who contribute so much to our cooperatives and the cooperative mission. If you know of someone who deserves to be honored, now is the time to let us know. You can find a nomination form and information about all the Annual Awards, including past winners, on NAHC's web site, coophousing.org/nahc-annual-awards.

Deadline for submitting nominations for the 2024 Awards is **11:59 pm CT on Friday, August 16.** Here is a summary of this year's awards:

- **IDA CURTIS FISHER RCM OF THE YEAR**
  Honors the Registered Cooperative Manager who has devoted outstanding time, energy, and talent to the RCM program and the national cooperative housing movement.

- **GREGORY J. CARLSON DEVELOPMENT AND PRESERVATION AWARD**
  Recognizes an organization, association, or business that leads the way in supporting the development of successful cooperatives or the long-term viability of existing cooperatives.

- **ALFRED REYNOLDS DEVELOPMENT AND PRESERVATION LIFETIME ACHIEVEMENT AWARD**
  Introduced in 2023, this Award honors a person who has been a lifelong advocate for cooperative housing and the values of NAHC, while contributing to positive, long-lasting progress toward cooperative development and preservation.

- **JERRY VOORHIS AWARD**
  Named for the man regarded as NAHC's founding father, this lifetime achievement award is our highest honor. It recognizes a person who has shown significant leadership on behalf of cooperatives, in theory and in practice.

- **COOPERATIVE STAR AWARD**
  Recognizes a cooperative that shows sound leadership, management, and distinctive member value.

- **COOPERATIVE DISTINGUISHED SERVICE AWARD**
  Honors the achievement and contribution of a cooperative member who helped a cooperative or an association of cooperatives better serve its members.

Two additional awards are selected internally by NAHC:

- **AUTHOR OF THE YEAR**
  Awarded to a person who has made notable contributions to NAHC publications through writing, reviewing, and editing. Nominations are made by the editor and reviewed by the Communications Committee.

- **ROGER WILLCOX PRESIDENT'S AWARD**
  Selected by the President, this award honors a person or persons who make significant contributions to NAHC and the cooperative housing movement. CHQ

# What's in a Title?

Clarification from Herbert H. Fisher, Communications Committee

**WE FREQUENTLY HEAR** reference to the term "president of the board" in housing cooperative circles. The usage probably grew from the fact that cooperative officers are indeed elected by the board, but, legally, it misses the point. The bylaw language states that these people are elected by the board *to be officers of the cooperative*.

So, the proper reference to the chief executive would be "president of the cooperative" not of the board. Similar nomenclature would apply to other co-op officers as well. CHQ

Herbert H. Fisher is a member of NAHC's Editorial Board. At the 2023 Annual Conference, he was honored with the Alfred Reynolds Development and Preservation Lifetime Achievement Award for his ongoing advocacy of cooperative housing and service to cooperative ideals and NAHC.

# Bath Fitter® and NAHC Announce a New Partnership

Cooperatives and their members will soon be able to enjoy a partnership relationship with Bath Fitter, the tub and shower renovation experts. Details of the program are being finalized. Meanwhile, Bath Fitter has provided this preview:

**IMAGINE TRANSFORMING A BATHROOM** in as little as one day. Superpower, you say. Not exactly. It's the power of Bath Fitter. Their bath-over-bath process means work is completed quickly and cost effectively — with no mess from demolition.

Bath Fitter offers an innovative process that they've been perfecting for 40 years. Bath Fitter acrylic sheets are custom molded into the baths, showers, accessories, and exclusive one-piece wall panels that millions of customers have come to rely upon. Even the adhesive used at installation is manufactured in-house to our exacting standards to ensure the lasting, perfect fit synonymous with the Bath Fitter brand.

Cooperatives will find that Bath Fitter will install a new bathtub within their budget, and without displacing residents. The durable, easy-to-maintain surfaces will protect members' investment for years to come. Also, Bath Fitter's low-profile walk-in shower options are perfect for seniors and others with limited mobility. Many safety accessories like shower seats and grab bars are available to provide residents and staff with the security they need.

"*Perfect fit. Premium-quality products. No disruption. Installed in as little as one day. That's the Bath Fitter promise.*" Check out the follow up email in the coming weeks to find out more about the Bath Fitter/NAHC program and how to connect with a Bath Fitter expert to schedule an appointment. CHQ

**QUESTIONS:**
NAHC2024@bathfitter.com
www.bathfittercommercial.com

**Bath Fitter Shower Renovation**

**Bath Fitter Tub Renovation**

# Will The Real Employer Please Stand Up?

By Kerry L. Morgan, Esq.

Housing cooperatives and their management agents commonly share at least some oversight of employees. For example, a front desk attendant employed by the cooperative might accept and document payments destined for the management agency's accounting office, following protocols set by the agency. Similarly, an agency might assist the cooperative in vetting, hiring, or training cooperative employees such as onsite managers or security guards.

While not unusual, this crossover of responsibilities could become a problem in case of litigation — if, say, a cooperative employee makes a claim of discrimination or other unfair practice. How the claim is resolved could very well depend on the answer to the question: Who is the employer — the cooperative, the management agency, or both?

Management contracts typically state that every worker is employed either by the management agency or the cooperative — but not both — and identifies who works for which entity. Since the management agreement specifically identifies each worker's employer, one might assume that simply consulting that document would settle the matter. However, the law is no longer as simple as that.

## Shared Oversight = Joint Employers

In recent years, the federal government has gotten into the business of defining who is the employer for purposes of lawsuits alleging violations of labor laws such as the National Labor Relations Act (NLRA) and the Fair Labor Standards Act (FLSA). State law has followed suit in determining who is an employer when claims of discrimination are filed.

On October 26, 2023, the National Labor Relations Board (NLRB) issued a final rule that expands the standard for determining joint employer status under the NLRA, making it easier for the NLRB to find a joint employer relationship. Up to that point, an employer had been defined as one that had direct and immediate control of its employees. The NLRB, however, added the definition that an employer is one who determines the employee's essential terms and conditions of employment. These "essential terms and conditions" include wages, benefits, hours of work, scheduling, job assignments, supervision, when and how to perform job functions, discipline, duration of employment, and health and safety concerns.

> **... cooperative boards and management companies need to stay in their own lanes to avoid becoming named as joint employers in another's litigation."**

This lengthy list poses challenges for a cooperative board and its management company. If all the employees are management company employees, for example, the new rule virtually mandates that the management agents provide on-site personnel to supervise its employees constantly and consistently. Cooperative board members would have to take an aggressive "hands-off" approach.

How would that play out in a typical cooperative? Consider this scenario: A board member asks a management employee, "Could you make sure the clubhouse gets cleaned today because it will be needed for a meeting?" This simple instruction would suggest to the NLRB that the real employer in this case might also be the cooperative because a member of the board appears to be scheduling work and making job assignments, as well as supervising when and how to perform certain job functions.

This means that — even if the management company asserts that it is solely responsible for discipline and wages — by the NLRB's definition, the management agency and the cooperative appear to be joint employers and could be considered as such in any future litigation. To avoid this situation, the Board member should

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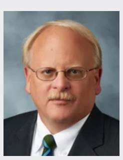

Attorney Kerry L. Morgan is Of Counsel to Pentiuk, Couvreur & Kobiljak, P.C. He has extensive experience in advising housing clients in connection with employer regulations. Prior to his current legal affiliation, he served as an Attorney-Advisor with the United States Commission on Civil Rights in Washington, D.C. He also was appointed as the Director of the U.S. Bicentennial Project for Regent University.

have resisted the temptation to speak with the employee directly and, instead, asked the management agent to give the instruction to clean the clubhouse.

The same analysis applies when the shoe is on the other foot. Management agents would have to exhibit similar restraint when employees are hired by, and solely accountable to, the cooperative — in other words, when the employees are not management company employees. Perhaps assuming that their management agents are more experienced at such things, boards often ask their agents to explain the terms and conditions of employment to cooperative employees, to resolve problems regarding discipline, or even to terminate employees. In larger cooperatives, if the Board requests or permits the managing agent to supervise its own cooperative employee such as a building superintendent, the lines of who is the real employer are blurred. If the building superintendent claims the managing agent discriminated against him or her, then a suit could end up naming both the management agent and the cooperative as joint employers.

In such instances, the NLRB could argue that the management company is an employer *as well as* the cooperative because, after all, the management company scheduled, directed, or assigned work. In these instances, the management agent should have explained to the board that such involvement with the board's employees should be handled by the board or in case of discipline or termination, by the board's own employee or legal counsel.

## Continuing Change

In recent years, the answer to the question, "Who is the employer?" has been something of a moving target, depending on who issues the determination — and when.

**Clear lines of communication regarding employee functions and jobs must be established, understood, and followed.**

In 2020, under President Trump's administration, the Department of Labor issued its own test to identify an employer. It focused on who had the ability to hire and fire, supervise and control schedules, set pay rates, and maintain employment records. If an entity exercised control over just one of these conditions, it could be found jointly liable.

Under President Biden, however, this approach was repealed, reverting to a more generic "totality-of-the-circumstances economic realities" approach to joint employment. By this definition, if the management company itself is considered an employee of the cooperative, then, typically, the company's employees also would be considered

**In recent years, the answer to the question, "Who is the employer?" has been something of a moving target, depending on who issues the determination — and when.**

employees of the cooperative. This conclusion is supported by the fact that the management company signs its employees' paychecks but receives fees from the cooperative under the management contract to do so — thus making the company's employees economically dependent on both the management company and the cooperative.

Finally, turning to discrimination lawsuits in state or federal court, judges will typically look to matters of control and may be influenced by either the NLRB standard or the DOL standard. In Michigan for instance, if an entity affected or controlled a term, condition, or privilege of employment, it will be initially regarded as a viable employer defendant. If two entities perform such functions, they both will be considered a joint employer. See McClements v. Ford Motor Co., 473 Mich 373 (2005).

## Establish Clear Boundaries

Right now, the current weight of administrative and legal regulations is against the single employer theory; therefore, cooperative boards and management companies need to stay in their own lanes to avoid becoming named as joint employers in another's litigation. Clear lines of communication regarding employee functions and jobs must be established, understood, and followed. If not, then it's easy to find that both entities could be exposed to litigation or regulation as one "employer" of the employee.

As a defensive measure, it also is advisable that indemnification agreements should be carefully written and legally reviewed, and insurance companies notified, listing each entity that could be considered an employer, to be added as a named insured. These steps will go a long way to provide the maximum possible protection for cooperatives and management companies when unwanted legal problems arise. CHQ

# Calling All Cooperators

By Judy Sullivan

**ELECTIONS THIS YEAR** bring opportunities for us to have influence on issues that are important to housing cooperatives.

Admittedly, this has been one of the least productive Congresses in our lifetimes. That said, all 435 members of the House of Representatives and one-third of the Senators are facing elections this November.

In an election year, Congress starts grinding to a halt in the summer, as politicians focus on their campaigns. They go back to their districts to connect with their constituents and, they hope, get reelected. This means that NOW is the best time for cooperators to contact legislators, who want to win your votes and will try to be responsive to your requests.

### Catch Their Attention

Did you know that as few as five emails to a Member of Congress will alert that Member to an issue? It's true. That is why we urge you to contact your representatives and ask them to help us with our legislative priorities.

It is very easy to send emails to a Member of Congress. Simply type Democracy.io into your browser and submit your street address, city, and zip code on the form that pops up. Names of your Senators and Representatives will appear along with links to send each of them an email.

### Issues for Cooperatives

Here are some current issues important to cooperatives, along with brief samples of messages you can send to your Members of Congress:

- **CORPORATE TRANSPARENCY ACT**
  Please introduce legislation to exempt housing cooperatives from the onerous reporting requirements of the Corporate Transparency Act.
- **REVERSE MORTGAGES**
  Please introduce legislation to allow reverse mortgages for housing cooperatives.
- **DISASTER RELIEF HR 3777**
  Please co-sponsor HR 3777 to allow comprehensive disaster relief for housing cooperatives.
- **VETERANS AFFAIRS (VA) HR 7703**
  Please co-sponsor HR 7703 to allow VA home mortgage loans for veterans to purchase shares in housing cooperatives.

Time is of the essence. Send your emails today and encourage members of your cooperative to send their own emails, too. CHQ

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

# Bayard Rustin: Connections to a Hidden Hero

By David J. Thompson

**Bayard Rustin at a news briefing at the Statler Hotel, Washington, DC, for the March on Washington for Jobs and Freedom, August 1963. Photo by Warren K. Leffler, Library of Congress *U.S. News and World Report* Collection.**

Any list of heroes of the civil rights movement would have to include Bayard Rustin. Best remembered for organizing and leading Dr. Martin Luther King, Jr.'s, 1963 March for Jobs and Freedom in Washington, D.C., he also was a key advisor to Dr. King; a planner of the Montgomery Bus Boycott; and a lifelong leader in social movements for peace, racial equality, non-violence, and LGBTQ+ rights. As a gay man in a still-intolerant era, he worked mainly without public recognition, finally receiving the honor he deserved when Barack Obama awarded him a posthumous Presidential Medal of Freedom in 2013.

I first saw Rustin when I was a young lad of fifteen, on Easter Friday, April 1958, when he spoke at the first Ban the Bomb rally in Trafalgar Square, London — the only American and the only Black person to speak at the event. I remember him standing in front of Nelson's Column; he was tall and slim and spoke clearly, distinctly, and energetically — charismatic and persuasive even then.

**Bayard Rustin, Andrew Young, Rep. William Fitts Ryan, James Farmer, John Lewis. World Telegram and Sun Photo by Stanley Wolfson, taken January 1, 1965. Library of Congress, NY World Telegram and Sun Collection.**

### Penn South to Washington

Over the years that followed, my passions and paths led me to other places with connections to Rustin, linking us through deep commitments to peace activism, ending poverty, and fighting racism and racial injustice. As an advocate myself for housing cooperatives, I was especially pleased to learn that much of Rustin's work — including planning and organizing the March on Washington — took place in a cooperative: Apartment 9J in the B section of Building 7 of Penn South, the massive high-rise limited equity co-op in the Chelsea neighborhood of New York City. Rustin moved there in 1962, the year of the cooperative's grand opening, with President John F. Kennedy as keynote speaker.

**I was especially pleased to learn that much of Rustin's work — including planning and organizing the March on Washington — took place in a cooperative: Apartment 9J in the B section of Building 7 of Penn South.**

It was in Rustin's distinctively furnished apartment that the first discussions for Dr. King's March on Washington occurred the following year. Early in the planning process, A. Philip Randolph, the revered activist and president of the Brotherhood of Sleeping Car Porters, had proposed Rustin as director of the March, but Roy Wilkins, head of the National Association for the Advancement of Colored People (NAACP), had objected to the optics of having a gay leader. Randolph solved the problem by taking the title of director himself and appointing Rustin as chief organizer.

At that first meeting, Rustin and his then-partner, Tom Kahn, hosted two organizers from the Congress on Racial Equality (CORE), Norman and Velma Hill; and a young labor organizer, Rachelle Horowitz — all residents of Penn South. Many more meetings would follow. In the 2023

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Netflix film, *Rustin,* we can see reenactments of these gatherings in the co-op apartments of Rustin and Horowitz in 1963. The award-winning cast portrayed several leaders in the civil rights movement who participated in the meetings, including one of my personal heroes, Ella Barker, who developed cooperatives for the NAACP and other groups.

For my research, I interviewed Rachelle Horowitz by phone and email and met her in Washington, D.C. She told me that over the six months she worked on the March with Rustin in the summer of 1963, she hosted several well-known activists in her own Penn South apartment, including Eleanor Holmes Norton, the longtime non-voting U.S. Representative from Washington, D.C. Young folk singer Bob Dylan dropped by to serenade Student Non-Violent Coordinating Committee (SNCC) organizer, Dorie Ladner, and her sister, Joyce, with songs he was planning to perform at the March; John Lewis used Rachelle's apartment to rehearse his speech after his oratory got too loud for his hotel.

...It felt right that Bayard Rustin at last is being commemorated for all the unacknowledged work he did for so many years.

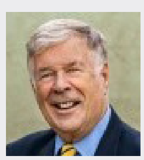
Working from a small office in Harlem, the Penn South contingent was at the heart of organizing the March on Washington. At 24, and without a drivers' license, Rachelle Horowitz headed up the planning to get 250,000 people to that historic event.

## Stepping into the Scene

My own work took me to Penn South, too. In the early 1980s, while helping to create the National Consumer Cooperative Bank (NCCB), I shared a roof with Rustin, although I did not know at the time that he was still living there. I was staying in the cooperative apartment of Dave Smith, who was president of Penn South as well as one of the great outspoken supporters of what NCCB could do for limited equity cooperatives. As union-sponsored, low- and moderate-income housing, Penn South felt to me like an appropriate symbol of NCCB's mission and those it served.

Some years later, while writing about Penn South and its historic role in the March on Washington, I began an email conversation with Walter Naegle, an artist and photographer who became Rustin's longtime partner. Naegle told me about Rustin's creative strategy to reconcile the era's prohibition on gay marriage with the cooperative's bylaws that permitted only surviving spouses and children as heirs. Rustin simply adopted Naegle, who was 30 years younger, as his legal son; Naegle's name was added to membership in the cooperative and to the lease of the apartment.

Bayard Rustin lived in apartment 9J from 1962 until his death in 1987. In 2016, the National Park Service added Building 7 to its National Register of Historic Places. Almost four decades later, Walter Naegle still lives in the apartment and maintains it as Bayard Rustin kept it.



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.

## Other Links

I have published a considerable number of articles about the unconstitutional imprisonment of more than 110,000 Japanese-Americans during World War II. A few years ago, by chance, I learned that Bayard Rustin had visited the internment camp at Manzanar, California, to speak on pacifism and civil disobedience; how that had been arranged is a mystery. I do know that Rustin was working for the Fellowship of Reconciliation (FOR) and had been sent to California to protect the property of the Japanese-Americans who had been interned at the camps; unfortunately, property worth hundreds of millions of dollars was seized by government entities.

I also know that there was a large, busy co-op store at Manzanar — the second largest food co-op in the U.S., with more than 11,000 built-in member-shoppers — that was operated by Japanese-American internees. I feel sure that there was a cooperative connection among the conscientious objectors who staffed many of the co-ops in the camps.

## Feeling Their Presence

In 2010, I went to Washington, D.C., with my family for my induction into the Cooperative Hall of Fame. One special part of that event was a private one-hour meeting with Congressman John Lewis. We had worked together when setting up the National Cooperative Bank, and he had also counseled me on my work setting up the first legal Black cooperative in South Africa.

To celebrate, I reserved the Martin Luther King, Jr., suite on the third floor of the Willard Hotel. In the middle of the night, I woke up just as Dr. King had done in 1963 when he added some late refinements to his "I have a dream" speech. I used the time to write the introduction to my forthcoming book on cooperatives*: Against Slavery and For Civil Rights.*

During Dr. King's stay in that suite, as the organizer of the March on Washington, Bayard Rustin would have been a frequent visitor. John Lewis and other March leaders also would have met there. So, once again, more than fifty years after that day in Trafalgar Square, Rustin and I were in the same place for the same reasons.

It felt good to be doing the work I do to build cooperatives and social housing. More importantly, it felt right that Bayard Rustin at last is being commemorated for all the unacknowledged work he did for so many years. In 1963, Rustin was the only speaker not listed in the program of the March he organized. Thankfully, he does not need to hide or be hidden any more. CHQ

## CSI Looks to the Future of Senior Housing

**BORN AS A DEPRESSION-ERA DAIRY COOPERATIVE** in Michigan, CSI Support & Development (CSI) has evolved into a resident-member controlled nonprofit organization that provides affordable rental communities for seniors in four states: California, Massachusetts, Maryland, and Michigan.

CSI builds its portfolio by bringing together financing and management resources to transform properties into communities where resident members can thrive while aging in place. Projects planned or underway include:

- Waters Tower, an 11-story building with 203 one-bedroom affordable senior units near the Johns Hopkins Medical Campus in Baltimore, Md. It was acquired in October 2023 and is due for a large-scale renovation in 2026;
- Dunn Family Senior Co-op, near Detroit, Mich. The co-op is undergoing a substantial renovation of 100 existing units and 57 new one-bedroom units as well as common areas and amenities.
- Upcoming projects include cooperatives in Baltimore and Essex, Md., and Kalamazoo, Mich.

In 2022, responding to post-pandemic challenges and opportunities, CSI staff and members embarked on a year-long strategic planning process involving 94 meetings in multiple locations. The result was a comprehensive strategic plan that identifies Six Pillars and Objectives supporting CSI's organizational goals for the next five years, as well as its motto: "People Working Together to Help Each Other."

According to Anne Sackrison, CSI's CEO, "Our key strategy is to strengthen the foundation for growth and to create opportunities to enhance the housing cooperative experience for our members." CHQ

Waters Tower

## CSI's Six Pillars and Objectives

**PILLAR 1: MEMBER SERVICES AND ENGAGEMENT**
Objective: Nurture the co-op and provide an opportunity-enriched environment for members to thrive

**PILLAR 2: STAFF DEVELOPMENT AND ENGAGEMENT**
Objective: Improve recruitment and retention by offering staff opportunities to thrive

**PILLAR 3: PRIORITIZED LEASING AND MARKETING**
Objective: Reduce vacancies and improve marketing, branding, and outreach

**PILLAR 4: FISCAL RESPONSIBILITY**
Objective: Be fiscally responsible stewards for CSI and the co-ops

**PILLAR 5: PRESERVATION AND MAINTENANCE OF ASSETS**
Objective: Consistently improve approach to preservation, maintenance, and safety to maintain the highest level of quality

**PILLAR 6: SUSTAINABLE GROWTH**
Objective: Do our part to preserve affordable senior housing and manage our portfolio with sustainable growth

## Homeowners Create Bois de Sioux Cooperative

**ON MARCH 29, 2024,** homeowners of Bois de Sioux Mobile Estates purchased their 75-site, manufactured home park in Breckenridge, Minn., forming the Bois de Sioux Cooperative. The only manufactured home community in Breckenridge, Bois de Sioux Cooperative is the 13th resident-owned manufactured housing cooperative in the state.

Before the purchase, Bois de Sioux residents owned their homes, but not the land under them — a common arrangement that leaves rent, site management, community rules, infrastructure, and other important issues out of their control. By purchasing the property, residents now vote on these matters, determining the future of the cooperative for themselves.

According to the Northcountry Cooperative Federation (NCF), the purchase began with NCF reaching out to the owner of Bois de Sioux Mobile Estates about his interest in selling the community to residents. Throughout the seven-month process, Bois de Sioux residents received support and guidance from the ROC USA as well as NCF, which is a ROC USA Certified Technical Assistance Provider.

Financing for the $1.1 million purchase price came from the Minnesota Housing Finance Agency (MHFA) and NCF's Cooperative Loan Fund (CLF). Minnesota Housing provided the mortgage loan for the purchase of the community, as well as a $536,800 grant through the Manufactured Home Community Redevelopment (MHCR) program to improve infrastructure, including water and sewer services, electrical service boxes, and street and surface drainage as well as to prepare vacant lots. CLF also provided gap financing to cover the difference between the Minnesota Housing loan and the purchase price, reducing the cost of the purchase to residents.

Earlier this year, a CLF loan to Emerald Pines Cooperative in Alexandria, Minn., was the first to come from the $10 million appropriation to NCF from the Minnesota Legislature that established a revolving loan fund to aid tenants in financing the conversion of their parks to ownership as a cooperative. CHQ



## Canada Launches Can$1.5 Billion Investment in Co-ops

**ON JUNE 6, CANADA'S FEDERAL GOVERNMENT** launched the Co-operative Housing Development Program, providing Can$1.5 billion to build and grow co-ops.

Including Can$500 million in contributions and Can$1 billion in loans, the program is the largest investment, and the first dedicated investment, in construction of co-operative housing in Canada in more than 30 years. The program was co-designed with the Co-operative Housing Federation of Canada (CHF Canada) and other leaders in the co-op sector and is administered by the Canada Mortgage and Housing Corporation.

According to Tim Ross, Executive Director of CHF Canada, the investment "will kickstart the development of the next generation of op-operative housing. More individuals and families will be able to access the security, affordability, and inclusion that co-operative housing offers."

Canada's government anticipates that the program will build thousands of new co-op homes by 2028. Priority projects will provide homes for people in need of support, including Indigenous groups, women and children, and persons with disabilities.

In addition to the new program, Canada's federal government supports co-op residents through the Can$618.2 million Federal Community Housing Initiative, which provides rental assistance to low-income households and transitional funding to housing providers, and through the Can$4.8 billion Canada Housing Benefit, which provides direct financial support to Canadians who are experiencing housing needs.

## National Cooperative Bank Named a Top DC Area Workplace

**NATIONAL COOPERATIVE BANK (NCB)** has been cited by the *Washington Post* newspaper as one of the top workplaces in the Washington, DC, area. Selection was based on employee feedback to an anonymous third-party survey that measured several aspects of workplace culture, including alignment, execution, and connection. NCB has earned this award eight times and has been named a top workplace twice by *USA Today*.

Calling the honor "a great accomplishment for our organization," Leslie Branson, NCB's chief human resource officer, returned the credit to NCB's employees, who she praised as its greatest asset.

"I am proud that they enjoy the work they do and the culture of our organization," she said. "As a socially responsible financial institution, the principles of inclusion, collaboration, impact, and community are at the heart of our mission."

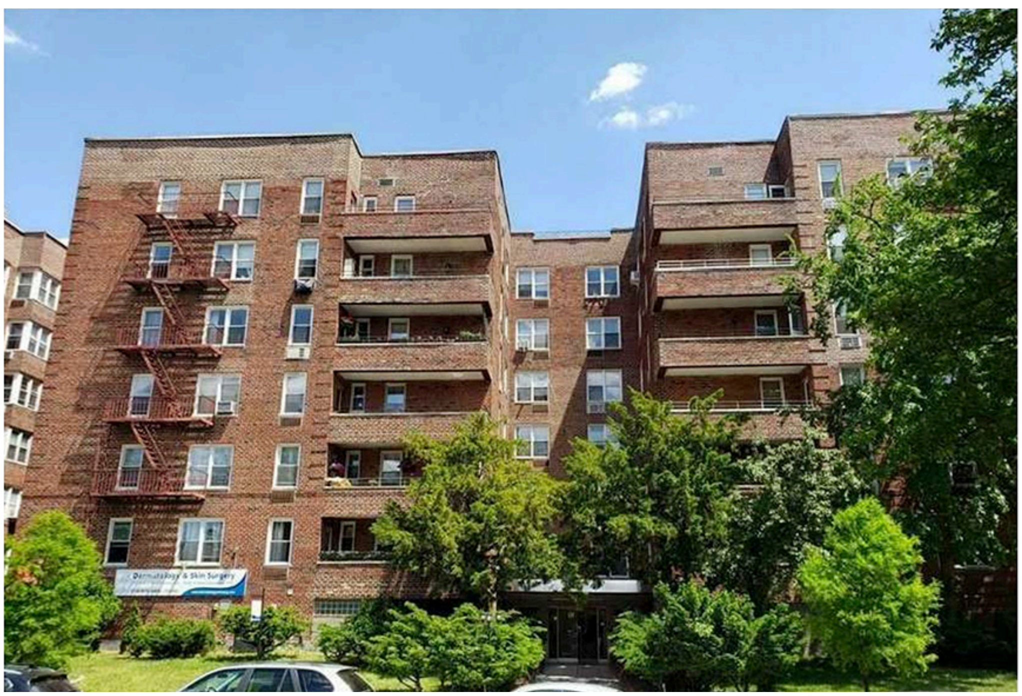
Bronwen Latimer, the editor for special initiatives at the *Post*, observed that over more than a decade the award has become a resource for Washington area professionals, offering "unparalleled insight into the best local companies to work for as heard directly from their employees." This year the award highlighted 250 companies — more than ever before. CHQ

## NCB Loans Bring Fresh Life to Older NYC Co-ops

**IN THE FIRST QUARTER OF 2024,** the National Cooperative Bank (NCB) originated more than $68 million in loans to New York City cooperatives and condominiums. Financing covered significant renovations or repairs to three older cooperatives, including two buildings that are nearing or past 100 years old:

- $1.2 million first mortgage and a $250,000 line of credit for 40-12/16 73rd Street Owners Corp. in Woodside, Queens. The 42-unit, 4-story walkup co-op was built in 1926 and incorporated in 1987. Recent capital improvements included domestic water boilers and two hot water storage tanks, as well as conversion of the central heating system to a dual-fired system.
- $5 million first mortgage for Lincoln Shore Owners, Inc., in Brooklyn. The 174-unit co-op was built in 1956 and incorporated in 1986. Anticipated capital improvements include façade, interior, and garage repairs.
- $2.4 first mortgage and $500,000 line of credit for 929 Park Avenue Apartments Corp. in Manhattan. The 38-unit, 13-story co-op was built in 1913 and incorporated in 1959. After a recent lobby renovation, the co-op anticipates future Local Law 11 repairs.

Last year, NCB committed $384 million to initiatives serving low- and-moderate income communities and new cooperative development, according to its 2023 Mission Report, released this spring. That total includes $103.7 million for affordable housing initiatives and low-and-moderate-income mortgage loans nationwide.



**Lincoln Shores Owners, Inc., Brooklyn, built in 1956.**

## CNYC Among Advocates Calling for Converting Vacant Office Space to Affordable Co-ops in Manhattan Midtown

**LIKE MANY OTHER URBAN CENTERS,** New York City is experiencing an excess of vacant office space along with a shortage of affordable housing. In April, a coalition of cooperative, affordable, sustainable, and housing coalitions led by National Cooperative Bank (NCB) called on New York mayor Eric L. Adams to address both issues by prioritizing the creation of permanently affordable cooperative housing using vacant office space in Manhattan Midtown South. Advocates include the Council of New York Cooperatives, a member of NAHC.

City initiatives and zoning changes already are underway. According to NCB, office-to-housing conversions are part of the Midtown South Mixed-Use Neighborhood Plan and the Mayor's "City of Yes" zoning changes.

As announced by Mayor Adams in 2023, the city also has committed $24 billion to affordable housing across the five boroughs. The 15% carve-out to these funds called for by the Coalition would provide $3.6 billion for affordable co-ops.

By taking advantage of these zoning amendments and dedicating a small part of the committed funding to affordable cooperatives, over ten years New York City would be able to create 20,000 permanently affordable homes serving 50,000 people, according to NCB. CHQ

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## FOR MORE INFORMATION:

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**National Account Manager**
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# 2024 COOPERATIVE CALENDAR

## SEPTEMBER: REGISTER NOW TO AVOID LATE CHARGES

| | |
|---|---|
| **10** | NAHC Annual Conference Regular Registration Deadline; RCM Certification Course and Recertification Course Deadlines |

## OCTOBER: CELEBRATE CO-OPS AND COOPERATORS

| | |
|---|---|
| **2–3** | NCBA/CLUSA 2024 Cooperative Impact Conference, at Convene DC, Washington, DC |
| **3** | 50th Anniversary Cooperative Hall of Fame Forum, Reception, Banquet and Induction Ceremony, The Hamilton Hotel, Washington, DC |
| **21–22** | NAHC Pre-Conference Registered Cooperative Manager (RCM) Course, Parts I, II, and III, Vancouver, British Columbia, Canada (Passport required) |
| **23–26** | NAHC's 64th Annual Conference, Vancouver, BC (Passport required) |


NAHC
The National Association of Housing Cooperatives

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