



DC Cooperative Housing Coalition News

Representing the interests of the cooperative community in the District of Columbia since 1984

September – December | 2013

Celebrating 29 years of service to the cooperative housing community

Save the Date!

CAI Expo!

Saturday
March 22, 2014

8:00am - 4:00 pm

“Get Your Game On!”

Walter E. Washington
Convention Center,
801 Mount Vernon Place NW

The Coalition is pleased to once again participate as an Allied Partner at the Washington Metropolitan Chapter Community Associations Institute’s Conference & Expo, the largest community association industry event in the Washington metropolitan area on **March 22, 2014**, at the Washington Convention Center.

The 2014 WMCCAI Conference & Expo will feature educational sessions on topics that affect those who live in and work with community associations including housing cooperatives. Approximately 190 companies and organizations will be on the exhibit hall floor showcasing goods and services of interest to community associations. More than 1,700 attendees are anticipated at the 2014 Conference & Expo. Coalition members will receive a personal invitation with more information about the event in late February/early March. The CAI

periodically updates its web site with the most current information at <http://www.caids.org/Calendar/Event/21~582186~1>.

We hope Coalition members will take advantage of this event to attend informative presentations and meet and talk with vendors with whom you currently doing business or might in the future. Stop by our display and get your free copy of our booklet, **Co-ops 101!**

3 New Members!

We are pleased to welcome the following new Coalition members:



1661 Crescent Place (55 units)



1820 Clydesdale (58 units)



2854 Connecticut Ave. (19 units)

New Web Sponsor!



Morgan Stanley Wealth Management

The Coalition is pleased to announce that Morgan Stanley Wealth Management is a new Coalition web sponsor. If your cooperative needs financial/investment services, please consider contacting this new sponsor. View their listing for contact

information on our web site:

<http://www.coopsdc.org/investments.htm>

Remember: If you contact a Coalition web sponsor, please let them know that you learned about them from the Coalition web site!

Annual Meeting

The Coalition held its 2013 annual meeting on October 22 at the Broadmoor Cooperative. A record number of co-owners from member cooperatives attended.



(L-R) Joe Douglass, Takashi Otani, and Dennis Freeman talked about issues relating to cooperative rental policies and their effects.

Prior to the start of the business meeting, Director Russ Rader introduced the invited speakers who addressed rental policies in cooperatives from three different perspectives. The panel discussion, entitled “Steering clear of trouble with rental policies,” was well received. Panel members were Dennis Freeman, Vice-President of Property Management at Zalco Realty, spoke from a management perspective – e.g., issues relating to adherence to house rules, use (Cont’d page 2)

Annual Meeting *(from page 1)*

of common space, security, and property maintenance; Takashi Otani, Assistant Vice President, National Cooperative Bank, spoke about how rentals in cooperatives can affect the ability to obtain bank loans and financing – both for individual units and for the cooperative as a whole; and Joe Douglass, the Coalition's legal counsel, Whiteford, Taylor & Preston, LLP, spoke about a number of legal issues, such as tax implications, restrictions on rentals as set forth in the Cooperative's Bylaws and Proprietary Leases or Ownership Contracts, structuring leases for rentals, and considerations relating to the District of Columbia's tenant's rights policies. A question and answer period followed.

During the formal meeting, Coalition representatives elected directors. Following the formal meeting, the elected directors met and elected officers. The last page of this newsletter has the list of directors and the cooperatives they represent.



Newly elected/re-elected CHC Board members (Seated, L-R) Carl Gerber, Art Leabman, Nancy Skinkle, Ray Olson, Dottie Moskowitz. (Standing, L-R) Janet Sten, Steve McKeivitt, Mike O'Dell, Russ Rader, Fred Dyda. Absent: Jeff Elefante and Sue Stephens

E-surveys Results

Survey results were shared with Coalition members during the past four months on the following topics:

- **Electrical Contractors and Auditors**
- **Employee Accommodations**

- **Financial Purchasing Standards**

These e-surveys are done for Coalition members who have questions about topics many other co-ops have already experienced. Surveying our members enables everyone to benefit by not having to “reinvent the wheel.” The collected information is shared not only with the requesting member, but all members, so everyone can learn how others approach different issues. A win-win situation that is only available for Coalition members!

Recommended Practices for Community Associations When Creating Websites and Using Social Media

[Kathleen A. Waldy](#), Esq., Whiteford Taylor & Preston

(This article originally appeared in the November 2013 issue of Community Associations Update and is reprinted with permission from WWTP LLP)

Takeaway: The use of websites and social media by community associations is a great way for communities to keep their membership informed; however, there are recommended practices that community associations should follow in order to avoid, or at least minimize, their potential for liability exposure.

The Use of Social Media In the Community Associations Context:

In order to keep their membership informed and to attract potential new purchasers, many community associations have created their own websites that contain information such as a listing of the governing documents and architectural guidelines, management contact

information, and an events page. Occasionally, an association's webpage will even permit members to post comments. In addition to setting up such webpages, some community associations have started interactive pages for members to make association-related postings, such as setting up Facebook, Twitter, and Nextdoor accounts, or Yahoo groups. With community associations creating more and more platforms for members to post comments on, associations must take affirmative steps in order to protect themselves from potential liability exposure springing from inappropriate postings.

It is important to note that although both the Virginia Property Owners Association Act and Virginia Condominium Act require that associations “establish a reasonable, effective, and free method...for [] owners to communicate among themselves” and with the board of directors regarding any matter concerning the association, the law does not require that associations set-up a method that is email or web-based.

However, should a community association desire to create a social media outlet allowing owners to make such communications, it is recommended that the association follow the recommended practices discussed below.

Potential Liability Issues Community Associations Should Be Aware Of:

There are three areas where community associations could face potential liability exposure. First, and probably the most likely area leading to potential liability, is defamation. Defamation is a false statement that damages another's reputation. Defamation occurs when a false statement is published to another, which can occur orally or in some form of writing. Members may not think before they post a comment on the social media outlet, *(Cont'd. page 3)*

Websites (from page 2)

which may not only open that member up personally to a claim for defamation, but may also tag the community association for such a claim. There may be some relief to a community association for defamatory comments posted on its social media outlet under the federal Communications Decency Act, which states that “no provider or user of an interactive computer shall be treated as the publisher or speaker of any information provided by another content provider.” However, if the community association can be linked to promulgating such defamatory comment—whether through an act of a board member, managing agent, or some other association act—the protections of the Act will not shield the association from liability.

It is important to note that this Act does not protect against federal criminal liability or violations of copyright and trademark infringement allegations. Lastly, the strength of this particular provision of this Act has not been tested in local state courts so the exact limits of its protection in a state court arena are yet to be seen.

Second, community associations could also face liability stemming from copyright and trademark infringement. Postings that contain text, photos, graphics, or other media content without the author’s permission may constitute a copyright or trademark infringement.

Last, unauthorized use of pictures of association members can expose a community association to liability. For instance, if an association takes pictures of its members at an association-held barbecue, posts the pictures of the members in attendance on its website or social media page, and the members in the photos did not provide their permission for such photos to be posted, the association can open itself up to a potential claim for liability.

Recommended Practices:

In order to put a community association in the best position to dodge potential lawsuits, or to avoid or minimize liability, there are recommended practices the association should engage in, which are as follows:

Create One-Way Webpages: Create community association websites that are one-way—in other words, websites that only permit the association, its board of directors, managing agent, or other designated individual to post content and information on the association’s webpage. This type of website will not allow for third parties to make any postings. The association website should contain information that is helpful to its members and to potential purchasers of homes within the association, such as (a) governing documents, resolutions, and architectural guidelines, (b) board and annual meeting dates, (c) management contact information, (d) dates of community events such as barbecues, and (e) location of association.

Check Insurance Policies to Determine Coverage: A community association should check its insurance policies, such as its directors and officers, and errors and omissions policies, in order to determine whether it has coverage for claims related to social media use. If an association’s current coverage does not extend to claims resulting from social media, the association should contact its insurance agent to obtain additional coverage.

Institute a Terms of Use for Association-Owned Webpage: If a community association has a webpage that it owns, a “Terms of Use” should be created and prominently posted on the association’s webpage. The purposes behind a Terms of Use define what conditions a user agrees to when using the association’s webpage and creates a contractual obligation on the user to comply with

such terms. The Terms of Use can provide that no defamatory, abusive, or profane comments can be posted and that the association and other users have the right to reproduce comments that are posted on the webpage. Any violation of the Terms of Use can result in the user’s posting being removed or for the user to lose access to the webpage if a log-in is required to gain access. In addition, the Terms of Use should include what copyrights and trademarks belong to the association, should discuss limitations of liability and should state that user comments do not represent the opinions of the association.

Impose Social Media Guidelines for Sites That Permit Posting by Third Parties: For community association’s using interactive social media websites such as Facebook, Twitter, and Nextdoor, such associations should create and enforce social media guidelines pertaining to a party’s use of such interactive sites. The social media guidelines will be similar to a Terms of Use; however, since the association does not own its Facebook, Twitter, or Nextdoor pages, these Terms of Use cannot be instituted by the association. Rather, the social media guidelines will outline what content can and cannot be posted, such as the prohibition against posting copyrighted or trademarked materials, defamatory comments, or identifying a member’s or resident’s personal information. The social media guidelines will also provide that if information is posted that is not permitted by its guidelines, such a posting will be removed. The association’s social media guidelines should be made available to all members of the association, and if possible, placed prominently on the interactive social media page.

Continual Monitoring of Posts: A substantial disadvantage of an interactive social media page hosted by the association or one permitted on a service such as Facebook or Twitter is that the association should continually monitor the postings to ensure (Cont’d. page 4)

Websites (from page 3)

the users are complying with the Terms of Use and/or social media guidelines. Someone has to be tasked with this job and given the necessary access (i.e., administrative powers) to enforce the rules. Associations should also investigate complaints quickly, and promptly remove any unlawful or non-compliant postings.

Receive Releases from Members before Posting Photos: If a community association wants to post pictures of its members attending association-related events, it is recommended that the association obtain permission from the members in the photo prior to posting such photos to its website or social media outlets. This can be done by placing on the event ticket, invite, or event welcome board that the association has the right to post such photos to its website or social media outlet.

Seek Legal Guidance: Consult with the community association's legal counsel in order to discuss potential liability issues and recommended practices related to the creation of and/or usage of association websites and interactive social media.

Board Fills Vacancy

The Coalition Board of Directors appointed Jeanne Gault to the Coalition Board. Ms. Gault is Naylor Gardens' representative to the Coalition. She replaces Ted Martin, Naylor Garden's previous representative, who did not seek re-election to the Coalition Board after serving for several years on the Coalition board.

Ms. Gault lived at Naylor Gardens as a child and now owns and sells units there as a Realtor specializing in Naylor Gardens. The Board thanks Ted for his many years of work on behalf of the District's market-rate cooperatives and welcomes Jeanne to the board.

Co-ops in the Digital Age Seminar

Does your co-op continue to rely on paper files to maintain its vital records? Do you have an electronic platform to store records, communicate with your shareholders, and present your co-op to the public, but are seeking ways to improve your use of electronic media? The Coalition Board has plans underway for a seminar entitled *Co-ops in the Digital Age* to share how our member cooperative apartment buildings have approached the design and/or selection of a platform and the specific tools they are using.

The seminar will include a panel presenting considerations when developing electronic media support for co-ops, the electronic media and platform choices currently in use from co-ops of varying sizes and using various platforms, and will also provide the opportunity for audience contributions on these topics. The seminar will cover:

- The purposes to which electronic media can be used to support the management and operation of a co-op
- The legal do's and don'ts of electronic media to protect the building
- What records and information co-ops find useful in addition to legal requirements
- What policies are being used regarding access to records among the shareholders
- What to consider when selecting a product or platform, such as security, ease of use, capabilities, sustainability, cost, back up
- Platforms in use and experiences with those platforms

While the specific date and panelists are still to be decided, the seminar will be held on a Saturday morning in late April or early May and will be hosted by Harbour Square, at 500 N Street SW, conveniently located near the Waterfront-SEU metro stop.

Coalition Turns 30 in 2014!



Where has the time gone?! The New Year will mark the Coalition's 30th year of serving the District's market-rate housing cooperatives! The Coalition is pleased to re-commit another year to being an advocacy organization that articulates the interests of members before government officials and regulatory agencies and to serve as a service organization that provides information and education to our members.

Since its origins in 1984 when a handful of concerned and dedicated cooperative co-owners banded together to form the Coalition, membership has grown to our current membership of 70 cooperatives. The value of our member cooperatives has also grown and now exceeds \$1.1 billion, representing a sizable amount of the District's property tax revenues (see *CHC News*, January – April 2013 issue, page 3, for a Ward-by-Ward breakdown). With the exception of Ward 8 where there are no market-rate cooperatives, our members are located throughout every Ward.

Thanks to our members for making us stronger and more effective!

Board of Directors

President

Carl Gerber
The Cathedral Avenue, 145 units

Vice President

Fred Dyda
Tilden Gardens, 170 units

Secretary

Art Leabman
1870 Wyoming Avenue, 28 units

Treasurer

Ray Olson
River Park Mutual Homes, 518 units

Directors

Jeff Elefante
Potomac Plaza Apartments, 249 units

Jeanne Gault
Naylor Gardens, 318 units

Stephen McKeivitt
Beverly Court, 39 units

Dottie Moskowitz
Tiber Island, 389 units

Michael O'Dell
Harbour Square, 447 units

Russ Rader
The Westmoreland, 60 units

Nancy Skinkle
The Broadmoor, 194 units

Janet Sten
3020 Tilden Street, 20 units

Sue Stephens
The Porter, 28 units

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About DC/CHC, the Coalition

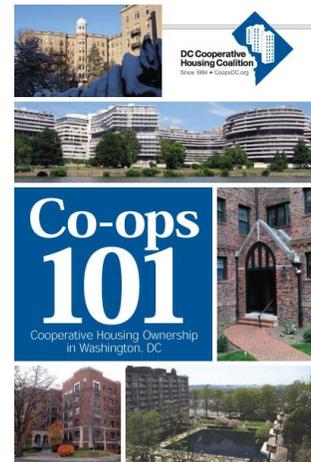
Established in 1984, the DC Cooperative Housing Coalition exists to advance the common interests of cooperative housing associations in the District of Columbia and to promote cooperative housing as a desirable form of home ownership. It is therefore both an advocacy organization that articulates the interests of members before government officials and regulatory agencies and a service organization that provides information and education to members.

Membership is open to all District housing cooperatives, regardless of size. A volunteer board of directors, elected by member co-ops, governs the Coalition. Activities are financed through annual dues, \$1.50 per unit per year (12.5 cents per month)

The Coalition grew out of an ad-hoc group of District cooperatives that formed in response to a judicial ruling that had cast a cloud over many cooperatives by banning proportionate voting. By marshaling the forces of more than 3,000 housing cooperative units, the ad-hoc group persuaded the District's City Council to resolve the matter.

Recognizing the importance to the cooperative housing community of speaking in a single voice and maintaining the ability to respond quickly and knowledgeably to matters affecting cooperative housing, the ad-hoc group decided to form a permanent organization.

The Coalition was established in 1984 and was incorporated as DC/CHC, Inc., a nonprofit, IRS Code Section 501(c)(6) organization in the District of Columbia, May 24, 1993.



Co-ops 101 Free download:
<http://www.coopscdc.org/Co-ops101%20PDF.pdf>

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www.CoopsDC.org

The first place to look for a service provider

Member Profile Page

Does your cooperative have its own dedicated page on the Coalition's web site? It's free and it is one of the Coalition membership benefits. See what your co-op is missing at www.CoopsDC.org/Membership.htm and click on members with the

LEARN MORE +

icon next to their names.

Don't let your co-op miss out on this members-only benefit

Register by
Feb. 28 and
Save \$25!

SATURDAY MARCH 22, 2014

Get Your Game On! Attend the WMCCAI 2014 conference & expo—the premiere event for community association professionals and volunteers!



Walter E. Washington Convention Center, Hall C
801 Mount Vernon Place NW
Washington, DC 20001

www.caidc.org/Calendar/Event/221~710851~1



Drop by the Coalition table display and say hello and get your free copy of *Co-ops 101!* We hope to see you there!