



DC Cooperative Housing Coalition News

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

September - December | 2017

Serving the District's cooperative housing community for 34 years



2018 Conference & Expo
Saturday, March 10 in the
Walter E. Washington Convention
Center in downtown D.C. The show
features 15 education sessions and
over five hours of exhibit time with
more than 200 exhibitors and 2,100
association industry professionals.
The Coalition is proud to once again
be an Allied Member. Stop by and
say hello at our exhibit table!

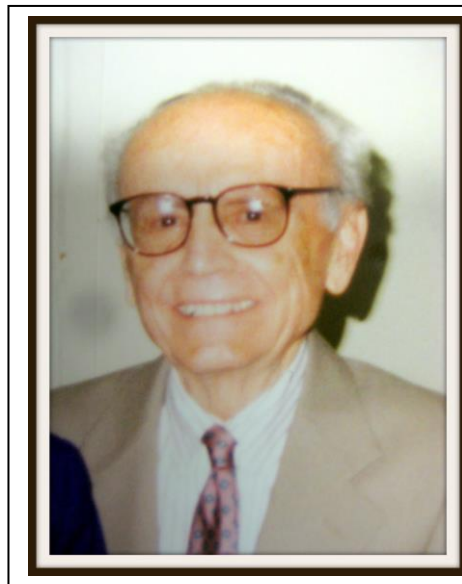
Networking & Learning May 15

Tuesday, May 15, 2018, 6:00pm to
8:30pm at the University Club of
Washington DC, 135 16th St NW,

A Networking Reception with an open
bar and complimentary appetizers
provided by the National Cooperative
Bank (NCB). Following the reception,
attendees will be able to participate in
two periods of Roundtable discussions.

Coalition members will get details and
reservation forms in the mail. See page
2 article for more information.

Appreciation: Bill Tayler, Coalition Founding Counsel



C. William "Bill" Tayler, one of the
founders of the Coalition, and our first
legal counsel, died at the age of 94 on
December 2, 2017. Bill had been a
Partner in the firm of Sachs,
Greenebaum and Tayler for many
years, and had played a central role in
building the firm's cooperative and
condominium practice group. When that
firm dissolved in 1991, Bill and several
of his colleagues joined the DC office of
Whiteford Taylor & Preston (WTP) and
built that firm's community association
practice into one of the largest and most
successful in the area. Bill also served
as Managing Partner of WTP's DC
office. He retired in 2002.

The DC Cooperative Housing Coalition
grew out of an ad-hoc group of District
cooperatives, organized by Bill Tayler in

the 1980's in response to a judicial ruling
that had cast a cloud over the operations
of many cooperatives in the District of
Columbia. By organizing and
marshalling its resources, this ad-hoc
group persuaded the District's Council to
pass legislation resolving the matter and
protecting cooperatives.

Recognizing the importance to the
cooperative housing community of
maintaining the ability to respond quickly
and knowledgeably on matters affecting
cooperatives in the District, and of
having an organization to serve as an
advocate for cooperatives, Bill helped to
form that ad-hoc group into a permanent
organization that became the DC
Cooperative Housing Coalition.

Bill led the Coalition's efforts toward
passage of the 1988 legislation (DC Law
7-205), that provides a specific, uniform
procedure and an equitable formula for
assessing the value of real property
owned by housing cooperatives,
ensuring that our members would be
taxed fairly on the value of their property,
and would be protected from the often
arbitrary and unpredictable tax
assessment procedures that had
prevailed before.

At the heart of the efforts spearheaded
by Bill and the Coalition was the
objective of maintaining fairness and
parity between cooperative members,
condominium unit owners and single-
family homeowners in matters before the
DC Council.

Bill was a tireless supporter of the
Coalition and of the District's cooperative
housing community. The Coalition would
not exist and would not have been as
effective had Bill Tayler not recognized
the need for such an organization more
than 30 years ago.

Save the Date: DC CHC Hosting An Evening of Networking and Learning May 15

*Jan Sten, Coalition Board member
3020 Tilden Street Cooperative*

DC CHC invites anyone from the DC CHC membership community—Board members and their cooperative owners, management staff, and other DC CHC partners -- to participate in an evening offering opportunities for peer-to-peer networking and learning/exchanging information about topics of importance to DC CHC members.

First up: A Networking Reception with complimentary appetizers and an open bar will be hosted by National Cooperative Bank (NCB.)

Following the Networking Reception, all attendees will be able to participate in two periods of Roundtable discussions that will be supported by a facilitator/discussion leader and an individual experienced with the issue to be discussed for the following topics:

- Responding to mechanical and plumbing emergencies
- Enforcing co-op rules
- Communicating with and engaging co-op members within individual co-operatives
- Planning, managing and financing of capital projects
- How to select and manage professional management companies
- Screening new members for financial ability to meet co-op financial obligations

Several additional related ideas solicited by DC CHC and contributed by attendees at the October 23, 2017 DC CHC Annual Meeting will be

incorporated into the topics listed above.

The Networking Reception and Roundtable event will be held on Tuesday, May 15, 2018 from 6:00pm to 8:30pm at the University Club of Washington DC, 135 16th St NW, Washington, DC 20036 (16th and M Streets)

Please save this date and spread the word among your owners and managers. This event will accommodate a total of 60 participants so space will be limited. An opportunity to RSVP and reserve spaces along with more information will be provided closer to the event.

HELOCs

*Mary Alex Blanton
Senior Vice President, NCB*

Washington, DC co-op residents now have an option to tap the equity of their units and extract cash without having to refinance.

With home values rising and refinancing less attractive, the home equity line of credit (HELOC) has sprung back to life. "We've seen co-op owners take out HELOCs to pay tuition bills and special assessments, as well as to renovate their homes or to consolidate credit card debt," said Brittney Baldwin, Vice President and HELOC Loan Officer for National Cooperative Bank (NCB).

"You borrow what you need, when you need it, and pay it back over time."

Interest rates for HELOCs are set at a certain percentage above the prime rate of interest. Unlike a fixed-rate mortgage, your rate can fluctuate over time, but it shouldn't be more than 1 or 2 percent above the prime rate, depending on the terms of your lender.

NCB, which specializes in financing co-op apartments, currently offers HELOCs of a primary residence at an interest rate of prime to prime plus 1 percent, depending on a buyer's credit

qualifications. With prime at 4.25 percent, that translates to rates from 4.25 to 5.25 percent. During the first 10 years, you only have to pay interest on what you borrow. "After 10 years, you pay off the balance over a term of up to 20 years," said Baldwin.

Most lenders, including NCB, will allow you to borrow 70-80 percent of your unit's appraised value. "So if your place is worth \$1 million and you have an existing \$500,000 mortgage, you'll be able to finance an additional \$200,000-300,000, bringing your total debt to \$700,000-\$800,000," she explained.

According to Baldwin, while some co-ops don't allow HELOCs, many do, but "occasionally, they will limit the amount you can borrow to 50 percent of an apartment's appraised value."

In addition to HELOC, NCB also offers home equity loans with 5-, 10- or 15-year fixed-rate options. A home equity loan is different than a HELOC because you borrow all the money at closing and you're required to pay principal and interest payments. "Typically if the owner has a set project, and they want a fixed rate, they choose a home equity loan," says Baldwin. The guidelines are the same as in the case of a HELOC.

For more information on NCB's Home Equity Loan Programs, contact Brittney Baldwin at 866- 499-3517 or bbaldwin@ncb.coop. [**NOTE:** NCB is, and has been, a long-standing supporter of the Coalition. NCB has made significant financial and in-kind contributions to the Coalition and the District's cooperative housing community. However, the Coalition does not endorse products but encourages its members to seek professional guidance to determine what is best for themselves.]



Strategies for Surviving the Covenant Amendment Process

*This article was originally published in the June 2017 issue of the Washington Metropolitan Chapter Community Association's Institute's **Quorum***

By: Tiffany Releford, Esq.
Whiteford Taylor & Preston

An association's governing documents (i.e. declaration, bylaws, etc.) are the legal documents that guide the board of directors on how the association is being operated and managed. As time goes by, it is not unusual to find these documents are outdated and need to be amended from time to time. Amending covenants in governing documents for an association can be a challenging and time-consuming task, however, but may be necessary for a building to thrive, as well as to address current changes in building operations, legislation, etc. Below are some helpful tips for planning and surviving the covenant amendment process.

TIP #1 - Selectively Determine What Needs Amending

Planning is essential when it comes to amending covenants. First, review your current governing documents to determine what changes are necessary. Many associations mistakenly think they need to discard their existing covenants and adopt a whole new set of covenants, which is not always the case. Most covenants are salvageable with some changes. Bylaws amendments usually start with the board of directors. Often, the board initiates the first step of reviewing the covenants to determine which items are outdated or need to be changed for the betterment of the building. However, some associations may also designate this first step to a committee. Either way, there should be clear communication as to what needs to be changed or updated to make the process efficient. Any proposed language to be added or modified should be thoroughly reviewed to ensure it does not conflict with other sections or make the covenants cumbersome. Once the board or committee has made

suggested changes, the draft should be sent to legal counsel for review. After the lawyer confirms that there are no issues with the proposed amendments, a copy should be circulated to all owners for consideration and comment.

TIP #2 - Use Informational Meetings

Once legal counsel has reviewed the proposed changes to the covenants, the board faces the onerous task of obtaining enough votes to pass the amendments. It is crucial that they consult with counsel and have a clear understanding of the required number of votes needed to pass the amendments, as well as any consent or notice requirements to first mortgagees or other third parties. Education of the owners is the best way to assist the board with its efforts in collecting sufficient votes to pass amendments. The board should consider holding an informational meeting to discuss the proposed bylaw changes and why they are necessary. This meeting should also engage owners so they feel like they are part of the decision-making process. For example, at the informational meeting, owners should be encouraged to ask questions or raise concerns they may have about the amendments that were put forth. Sometimes, it may even be possible for a board to collect proxies at the informational meeting. Depending on the results from the meeting, the board will have to determine whether additional informational meetings should be held before the meeting to vote on the amendments.

TIP #3 - Carefully Schedule the Meeting Date

Once there is a final set of amendments to be presented to the owners, the next step is to plan a meeting for the vote. A call to vote on the amendments can be made during a special meeting of the association, or in some cases, during an annual meeting. The board must determine what makes the most sense for the association to get the votes needed to pass the amendment. For example, if the association's annual meeting routinely takes place close to a holiday or over the summer when owners may be traveling, it may be wise to call a special meeting at another time for optimal voter turnout.

TIP #4 - Be Deliberate When Drafting the Ballot

A poorly prepared ballot can affect whether an amendment passes. Associations usually are successful in passing amendments when the ballots are short, clear, and concise. Even if a ballot is lengthy, it should clearly state the proposed changes. The board needs to consider whether certain amendments can be paired together on the ballot as one item so that if an owner votes for one amendment, they are essentially voting for another amendment as well. This method helps if there are several amendments being proposed to the owners, or if the amendments work in conjunction with each other such that if one passes, and the other does not, the amendment would not make sense. Likewise, if some amendments are stylistic (i.e. removing terms such as, he or she throughout the covenants) and not substantive, the ballot may have one box where an owner votes in favor or against all stylistic changes. Carefully drafting your ballot will help owners understand what they are voting on.

TIP #5 - Know the Effective Date of the Amendment

Assuming the amendments pass, the next action is to work with counsel to properly record the amendment. Some governing documents contain language indicating when a change becomes effective. Absent such language, an amendment may not be effective until recorded. Thus, it is imperative that the board work with legal counsel to determine when the amendment becomes effective and ensure it is recorded accurately. Once recorded, the amendment becomes part of the governing documents, and a copy of the recorded amendment with notice of its effective date should be sent to all owners.

Although this process seems to be long and rigorous, it is imperative to ensure the association is successful for years to come. By following the above tips, the process can be manageable and hopefully result in a positive outcome.

We regret that the article **What to do when Someone Dies** was not ready in time for us to include it in this issue, but we intend to include it in the next issue of the DC Cooperative Housing Coalition *News*.

DC Cooperative Housing Coalition

Since 1984 ♦ CoopsDC.org

Service Providers and Supporters of the District's Cooperative Housing Community

The following two pages contain the names and contact information of service providers who support the District's cooperative housing community. Please consider contacting these sponsors the next time your co-op needs their service.

Each pays for a 12-month listing on the Coalition's website that pays for the cost of maintaining the site, effectively keeping Coalition membership dues low and stable while simultaneously providing more information and support to Coalition members. Keep this list at your desk for easy reference.

The Coalition does not endorse any businesses, but these service providers have supported the District's cooperative housing community so consider supporting them. Sponsors are also listed on the Coalition web site (<http://coopsdc.org/service-providers/>) with additional information.

Many will have exhibits at the 2018 CAI Expo where you can talk with them about your co-op's particular needs and interests.

Don't forget: Should you contact a sponsor, let them know that you learned about them via the DC Cooperative Housing Coalition!



ACCOUNTANTS

[DeLeon & Stang, CPAs and Advisors](#)

301/948-9825
Contact: [Josephine Laleye](#),
Assistant Audit Manager

[Goldklang Group CPAs, P.C.](#)

703/391-9003
Contact: [Laura Monahan](#), Firm
Administrator



BANKS

[Community Association Banc/Condo Certs](#)

703/899-8805
Contact: [S. Hayden Miller-Luczka](#),
Regional Account Executive

[National Cooperative Bank](#)

703/302-8176
Contact: [Jared Tunnell](#)



BUILDING HEALTH TESTING

[Global Health Testing](#)

443/691-0455
Contact: [Channa Bambaradeniya](#),
Certified Industrial Hygienist



CONSULTING / LEADERSHIP TRAINING

[Association Bridge](#)

240/372-0905
Contact: [Thomas Willis](#), PCAM



ENERGY SUPPLIER, NATURAL GAS, HEATING OIL, ELECTRICITY

[Bollinger Energy](#)

443/248-3927
Contact: [Gary Murphy](#), Energy
Specialist



ENERGY SAVINGS

[Nextility](#)

202/561-324-8009
Contact: [Julian Belilty](#), Business
Development



FINANCIAL SERVICES

[HSBC Bank USA, N.A.](#)

202/640-0368
Contact: [Michael Schimmel](#), VP
Mid-Atlantic Region



INSURANCE

[Sahouri Insurance](#)

703/883-0500
Contact: [Lauri Ryder](#), Real Estate
Practice Leader



LEGAL SERVICES

[Caulkins & Bruce, PC](#)

703-558-7696
Contact: [Patricia Bruce](#), Partner

[Whiteford Taylor & Preston](#)

202/659-6800
Contact: [Joseph D. Douglass](#),
Partner



MANAGEMENT COMPANIES

[Barkan Management](#)

703/388-1005
Contact: [Michael A. Feltenberger](#),
CMCA, AMS, PCAM – Vice President

[Community Management Corporation](#)

703/230-8586
Contact: [Nick Mazarella](#), Executive
Vice President

[Delbe Management](#)

202/237-0187
Contact: [Scott R. Burka](#), President

EJF Real Estate Services

202/537-1801 ext. 212
Contact: **Peter Greeves**, President

Gates Hudson Community Management, LLC

703/752-8300
Contact: **Haley Fisher**, Client Relations Manager

Paul Associates, Inc.

202/652-9444
Contact: **Patty Floyd**, Office Manager

Roost DC

202-986-3088
Contact: **Chelsey Kelly**, Director – Association Management

Wexford Property Management

215/290-1036
Contact: **Genevieve Markofski**, Vice President – Business Development



**MORTGAGE LENDERS
SHARE LOANS**

Caliber Home Loans

202/302-9692
Contact: **Matthew Palmer**, Area Manager

Caliber Home Loans

240/297-3820
Contact: **Chris Washburn**, Area Manager

Clark Financial Services

301/434-2008
Contact: **Daniel M. Caplan**, Senior Vice President

M&T Bank, Mortgage Division

301-370-7528
Contact: **Pankaj Malhotra**, Bank Officer/Sr. Mortgage Consultant

M&T Bank, Mortgage Division

301-775-0262 (mobile)
Contact: **George Bretting**, Senior Loan Officer

National Cooperative Bank

202/349-7455
Contact: **Ryan Bretting**, Mortgage Loan Officer

PNC Mortgage

703/577-8175
Contact: **Cam Carson-Wagnon**, Mortgage Loan Officer

Wells Fargo Home Mortgage

202/895-5161
Contact: **Steve Palladino**, Branch Manager



**MORTGAGES LENDERS -
UNDERLYING LOANS**

ColumbiaNational Real Estate Finance, LLC

202/872-0742
Contact: **James Buckley**, Vice President

National Cooperative Bank

703/302-8176
Contact: **Jared Tunnell**

Pillar Finance, A Division of SunTrust Bank

240-800-2250
Contact: **Cullen O’Grady**, Vice President



**REAL ESTATE
BROKERAGE**

TTR/Sotheby’s International Realty

202-669-4656
Contacts: **Joseph Himali**, Associate Broker



**TELECOMMUNICATION
PROVIDER**

RCN

301/531-2992 (Residential)
877/726-7000 (Business)
Contact: **Arwen Bain Cosby**



**TRANSFER
AGENTS/SETTLEMENTS**

Edmund J. Flynn Company

202/537-1800
Contacts: **Joyce Rhodes**, President

Facts LLC

202-537-1804
Contact: **Brandon Aefsky, VP**



SOFTWARE - WEB SITES

ASAA Multimedia

301/365-5793
Contact: **Andrew Aurbach**

Buildinglink.com

703/295-0853
Contact: **Robert Garcia**



**DC Cooperative
Housing Coalition**
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Board of Directors

President

Russ Rader
The Westmoreland, 60 units

Vice President

Lynn Ohman
Shoreham West, 60 units

Secretary

Art Leabman
1870 Wyoming Avenue, 28 units

Treasurer

Dottie Moskowitz
Tiber Island, 389 units

Directors

Fred Dyda
Tilden Gardens, 170 units

Stephen McKeivitt
Beverly Court, 39 units

Spring Worth
Madison Terrace, 44 units

Michael O'Dell
Harbour Square, 447 units

Ray Olson
River Park Mutual Homes, 518 units

Nancy Skinkle
The Broadmoor, 194 units

Janet Sten
3020 Tilden Street, 20 units

Katie Wilson
Cathedral Avenue Cooperative, 145 units

Counsel

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jdouglass@wtplaw.com

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200-488-3670
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Contact us:

CooperativesDC@aol.com
www.CoopsDC.org

DC Cooperative
Housing Coalition
Since 1984 • CoopsDC.org



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)

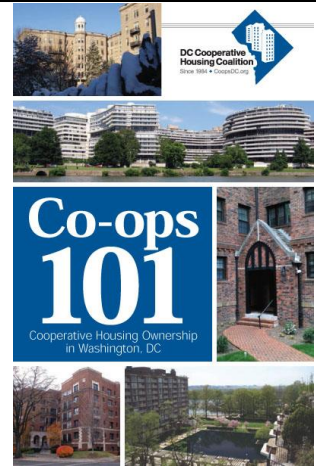
The Coalition grew out of an ad-hoc group of District cooperatives that formed in response to a judicial ruling that had cast a cloud over many cooperatives by banning proportionate voting. By marshaling the forces of more than 3,000 housing cooperative units, the ad-hoc group persuaded the District's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

www.CoopsDC.org

The first place to look for a service provider



Co-ops 101 Free download:

<http://coopsdc.org/wp-content/uploads/2014/07/Co-ops101-PDF.pdf>

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Special permission is not required to reproduce articles. However, each reproduced item should contain proper acknowledgement of the DC Cooperative Housing Coalition and note the **DC|CHC News** as the source.

Member Profile Page

Does your cooperative have its own dedicated page on the Coalition's website? It's free and it is one of the Coalition membership benefits. See what your co-op is missing at

<http://coopsdc.org/members/> and click on members with names in bold. **Don't let your co-op miss out on this members-only benefit**