WMCCAI’s Conference & Expo is the largest gathering of community association professionals in the D.C. Metro Area and is the largest event across CAI chapters worldwide.

The 2019 Conference & Expo will be held at the Walter E. Washington Convention Center on Saturday, February 23, with education sessions and over five hours of exhibit time.

Look for the Coalition information table as a CAI Allied Partner. Learn more and sign up to attend: https://www.caidc.org/conference-expo/

DC Council passes Short-term Rental legislation

The following updates an article published in the May-August 2017 issue of the Coalition News entitled “Bill 22-92, Short-Term Rental Legislation.”

On November 13, the DC Council unanimously passed the Short-term Rental Regulation Act of 2018 (aka, “The Airbnb Bill”). The Department of Consumer and Regulatory Affairs will have responsibility for developing and implementing procedures.

The legislation requires short-term rental hosts to obtain special licenses and to have liability insurance coverage of at least $500,000. The legislation also imposes a number of other specific requirements and limits on short-term rentals.

The Coalition, working with the Community Associations Institute (CAI), provided to the DC City Council testimony on the proposed legislation’s Committee on April 26, 2017.

We were pleased that our suggested change was incorporated into the passed legislation that will help cooperatives.: Sec. 103 (2) of the bill states, “If the short-term rental is on property within a condominium, cooperative, or homeowner association, [the owner must] provide proof that the condominium, cooperative, or homeowner association permits the operation of a short-term rental;”

That means that, if your co-op’s governing legal documents or house rules do not permit short-term rentals (such as via Airbnb), the District will not issue a short-term rental license to any resident of your co-op. The new law goes into effect on October 1, 2019, assuming the mayor signs the bill and it passes a 30-day Congressional review period.

INSIDE! Service Providers and Supporters of the District’s Cooperative Housing Community

Handy pull-out with vendors who support DC’s cooperative housing community! Support those who support us! For the latest list, go to https://coopsdc.org/service-providers/

2018 Annual Meeting

On October 23, 2018, the Cooperative Housing Coalition held its annual meeting at the Broadmoor Cooperative (3601 Connecticut Avenue). Russ Rader (The Westmoreland), the President of the Coalition recapped the group’s activities in 2018.

Left to right: Leland Kiang, Iona Information & Referral Program Manager; Kris Laurenti, Citizen Advisory Group (CAG) Chair; Mary Young, ANC 3B Commissioner and CAG Member.

Leland Kiang, the evening’s featured speaker, talked about Aging in DC and what support agencies such as Iona Senior Services and the DC Senior Services Network, can provide. Mr. Kiang, a licensed clinical social worker and the manager of Iona’s Information & Referral Help Line, explained how Iona’s Helpline answers questions about senior services throughout the DC metro area. With over a decade of experience in aging services, Mr. Kiang also has worked as a community case manager, a discharge planner, and as a group home counselor. Earlier this year, the National Association of Social Workers’ DC Chapter honored Leland as its Social Worker of the Year.

(Continued p.2, Meeting)
Meeting (from page 1)

Kris Laurenti, the Citizen Advisory Group Chair and Mary Young, ANC 3B Commissioner and CAG member briefly talked about their roles in assisting seniors. An updated senior services booklet was distributed.

The meeting continued after Mr. Kiang’s presentation and the assembled members of the Coalition voted and elected the CHC Directors for 2019; Loretta Elliott (Shoreham West) became the newest Board director. After the conclusion of the Annual Meeting, the new Board of Directors met briefly to elect the 2019 Officers of the Coalition. Russ Rader was reelected President. A complete list of Directors and the cooperatives they represent is on the last page of this newsletter.

Penny Wise, Pound Foolish: When Asking Too Much Of Your Community Manager Becomes Risky Business – You Need Expert Advice

By: Susan L. Truskey, Esq., Whiteford Taylor & Preston

(Originally published in the May 2018 volume of the Washington Metropolitan Chapter Community Association’s Institute’s Quorum.)

Community association managers fill many roles for the communities they manage, such as contract negotiators, on-site foremen, accounting and budgeting gurus, strategic planners, psychologists, mediators … the list goes on. Managers are incredibly adept at utilizing their vast array of professional experiences to assist directors with making many important decisions, but good managers also recognize their limitations. An integral— if often under—appreciated—aspect of association managers is recognizing when an expert opinion is warranted.

All too often, directors make well-intended decisions that save money in the short-term but wind up costing their associations more in the long-run. When professionals and experts are not consulted at the right time, it can be risky for boards and potentially costly for associations. Consulting with a subject matter expert at the outset of a project, although potentially expensive, can immunize boards and associations from potential liability, limit risks, and ensure appropriate long-term solutions.

The following examples highlight the risks of shortsighted decisions to bypass industry experts:

- Signing a contract (or worse, signing a proposal or estimate) without first having it reviewed by legal counsel. Anyone who has been around associations long enough has heard the following scenario: something goes wrong in the performance of a contract and when the board reaches out to counsel they are surprised to learn that the contract has an unreasonable termination provision and that litigation, if necessary, must occur in some far away state.

- Repairing a sagging unit floor without first hiring a structural engineer to determine the cause of the problem and developing a proper scope of work to address the underlying cause (surprise, it’s the foundation!).

- Hiring a company to perform mold remediation without first hiring a mold inspector to determine the type and levels of mold present and developing an appropriate action plan.

Directors face tough spending decisions all the time. As fiduciaries for their associations, directors must act prudently and diligently when spending association resources. Directors have an obligation to discharge their duties in good faith and to act in the best interest of their associations. Namely, directors are duty-bound to exercise the skill, care, and diligence of a reasonable person when making decisions.

In discharging their duties, directors are not expected to become lawyers, engineers or accountants; rather, they are justified in relying on expert opinions given by legal counsel, professional engineers, public accountants, and other qualified individuals as long as they believe, in good faith, that the opinion given is within the person’s professional or expert competence. Directors who exercise proper due diligence will generally not be liable for the decisions they make even if they don’t always pan out the way the board had hoped.

When directors attempt to keep costs down by leaning on community association managers to provide expert advice (on matters outside their expertise), they place themselves and their associations at risk by inviting liability for unqualified determinations and failing to exercise good business judgement. Community association managers wear many hats (and can probably leap tall buildings in a single bound), but they are not professional engineers, attorneys, mold experts, public accountants, or radon mitigation experts, and directors should not ask or expect their managers to perform such professional services for the association.

Does this mean that directors need to consult with outside experts on every project? No, of course not. Boards and community managers will have to make this determination on a case-by-case basis. The factors that should be considered would include the size, scope, and complexity of a given issue or project and the potential risk to the association if the project were to go awry. For instance, should an

(Continued page 5, Penny Wise)
-- Service Providers –

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 website (https://coopsdc.org/service-providers/) with additional information.

Many will have exhibits at the 2019 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

FINANCIAL SERVICES

HSBC Bank, 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

CONSULTING / LEADERSHIP TRAINING

Association Bridge
240/372-0905
Contact: Thomas Willis, PCAM

MANAGEMENT COMPANIES

Associa CMC
703/230-8589
Contact: Jon Bach, Vice President, Developer Services

Barkan Management
703/388-1005
Contact: Michael A. Feltenberger, CMCA, AMS, PCAM – Vice President

EJF Real Estate Services
202/537-1801 ext. 212
Contact: Peter Greeves, President

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

Banks

National Cooperative Bank
703/302-8176
Contact: Jared Tunnell

Gates Hudson Community Management, LLC
703/752-8300 ext. 718
Contact: Jessica Gray, CMCA, Client Relations Manager

BARKAN MANAGEMENT
703/388-1005
Contact: Michael A. Feltenberger, CMCA, AMS, PCAM – Vice President

EJF Real Estate Services
202/537-1801 ext. 212
Contact: Peter Greeves, President

Gates Hudson Community Management, LLC
703/752-8300 ext. 718
Contact: Jessica Gray, CMCA, Client Relations Manager
The cooperative housing community speaking with a single voice since 1984

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

The cooperative housing community speaking with a single voice since 1984
Solar Legislation Update

The following is an update to an article published in the May-August 2018 issue of the Coalition News entitled, “Coalition Acts Against Council ‘Solar Expansion’ Bill.”

The District of Columbia has adopted a new law providing that housing cooperatives, condominiums and homeowner associations may not prohibit an owner or member from installing or using a solar energy collection device on the owner’s or member’s property or residential unit, or on a roof that covers only one owner’s or member’s property or residential unit, without regard to whether the roof is considered part of the common elements. The new law, entitled the “Solar Cooperative Association Expansion Amendment Act of 2017,” was signed by the Mayor on May 21, 2018 and, after the required period for Congressional review, became effective on July 17, 2018.

The new law does allow cooperatives and other associations to prohibit such installations on other common areas and to adopt reasonable (non-aesthetic) guidelines for the installation and use of a solar energy collection device to prevent nuisances to other owners or members. Those guidelines may require the person who installs a solar device to pay for its maintenance and repair, and to pay for the repair of any damage caused by the installation or use of the device.

As a practical matter, the new law is likely to have only a limited effect on multi-level, multi-family housing, since these solar devices can be prohibited on roofs that cover more than one unit. However, if a roof covers only one unit (such as a townhouse roof), a solar installation on the roof cannot be prohibited.

The Coalition attempted to limit the legislation before it passed and we thank our many members who wrote to their Councilmembers expressing their concerns. Please let us know if you or your cooperative encounter any issues related to the law. We will continue to monitor its implementation.

Recent Coalition e-Surveys

The following surveys were conducted at the request of Coalition members. Thanks to the Coalition members for sharing your knowledge and experiences with other co-ops. The questions are broad and interesting and our members always come through!

- General Contractors (Sept)
- Reserve Studies (Sept)
- Board Meetings & Committees (Oct)
- Electronic Messages Displays (Oct)
- Electronic Voting Companies (Oct)
- Vendor Employees Gift Policies (Oct)
- Front Desk (Dec)
- Airbnb (Dec)
- Assessments for Co-ops 200+ (Dec)

NEW SPONSOR!

The Coalition is pleased to announce a new service provider and supporter of the District’s market-rate cooperative housing community—GS Dunham—providing steam heating products and services. Additional contact information can be found on our website under the listing, “Steam Heating Products and Services” (https://coopsdc.org/service-providers/). Welcome, GS Dunham!
About DC/CHC, the Coalition

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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.