



47TH Annual Conference

Dear Member of Record:

In accordance with Article IV, Section 2 of the By-Laws, the Potomac Association of Housing Cooperatives, hereby gives notice of the Annual Membership Meeting and Election of the Board of Directors scheduled for Saturday, April 28, 2023 at 12:00PM. This meeting will be held at the **Holiday Inn Oceanfront 6600 Coastal Highway Ocean City, Maryland 21842.**



This year it will be necessary to elect Nine (9) members to the Board of Directors. Three members will serve a three (3) year term; three members will serve a two (2) year term; three members will serve a one (1) year term.

In accordance with PAHC By-laws, the only requirement for serving on the Board of Directors is that one be a member in good financial standing on the books and records of the Association, in accordance with Article III, Section 5; and in accordance with the Resolution of the Board of Directors, adopted on February 14, 2015, in accordance with Article V, Section 5 (attached). One does not need to have professional credentials, specific experience, or a certain level of education. However, the candidates should, be prepared to exercise good

judgment, act responsibly, and have time to attend Board meetings, dedicate at least 2 hours a week (if necessary), participate in the administration of the Association, and other like duties as may be required from time to time.

If you would like to stand as a candidate for election to the Board of Directors, please fill out the attached information sheet and send it to PAHC. The information sheet must be received by FRIDAY, April 21, 2023; candidates may also be nominated from the floor.

Please make every effort to attend and participate in this most important meeting.

The Nominating Committee
The Potomac Association of Housing Cooperatives, Inc.



Greetings,

Welcome to the Potomac Association of Housing Cooperatives 47th Annual Conference. After 47 years, PAHC's Passion of the Cooperative Spirit is Still Alive & Strong. Since their last conference in 2019, PAHC along with many other organizations was negatively impacted by the COVID 19 pandemic. PAHC faced many challenges during the last three years, however, the possibilities have been greater. We progressively embrace the tasks that we have been entrusted to carry out for this great Organization and we are honored to be a part of forty-seven years of the cooperative movement. We maintain our commitment of educating members in cooperative housing.

PAHC is excited to celebrate forty-seven years of educating cooperatives' members on the fiduciary responsibility of serving on cooperatives boards. Through the years, PAHC has provided extensive educational topics for cooperative's members on Governance, Code of Ethics, Cooperative Documents, Understanding Financial Statements, Selecting a Management Company, and the list continues. During the Pandemic, PAHC slowed down but never stopped; we continued to receive requests for one-on-one training for Board members, however, with social distancing and masks requirements in place, we managed to provide the training requests and services to our members. PAHC belief is, if we can infuse the mind with knowledge it will build up a powerful cooperative community.

We are looking forward to PAHC first conference after three years. I can never express enough of just how important it is for members to attend classes provided at the conference; even if you have attended some classes before, each time, there is something new, as the laws changes, you need to be current and aware of changes that may potentially affect your coop. These conferences allow you an opportunity to network with members from other cooperatives and to learn from one another and share ideas and experiences. In class, don't just sit and be silent, you should willingly and openly participate; this is the time to ask questions of the experts. Keep your handouts for future reference and share with new board members.

As Board members, you are leaders in your cooperative; you must possess certain skills that are necessary for the success of your cooperative. Being prepared is an important element of an effective board member, when you go into board meetings, leave your egos at the door, you must move past the agenda of personal, family and friend, you were elected by the members to represent the cooperative as a whole, not individuals. Make the focus the cooperative, work together to find a solution to difficult situation, practice strategic planning and work to build cohesiveness among the primary players (the board, members and management) a successful corporate need all three. Respect everyone's opinion.

Treat every member with fairness, equity and impartiality and respects the rights of other people. Never lose sight of the cooperative's mission and vision, which is to provide education and affordable housing for generations to come. Don't forget, it is because of the visions of other courageous men and women that we enjoy our homes today. The blueprint was laid for us in the cooperative principle and ethical code. As I always say, we must never be satisfied with where we are; we should continue to challenge ourselves to be better stewards. Take advantage of every educational opportunity. We are living the forty-seven years of dreams of cooperators before us, they planted the trees, and we are the fruits (leaders) from those vines; now it is our time to harvest the grapes in the vineyard for tomorrow's wine (new leaders) for future cooperatives.

Your support to PAHC continues to humble us; without your involvement, PAHC would not have measured up to forty-seven years of acceptance. To Say Thank You Just Don't Seem Enough, So Thank You-Thank-You-Thank-You!

Respectfully,

Annie L. Hill
Annie Hill President, PAHC

"The challenge of leadership is to be strong, but not rude; be kind, but not weak; be bold, but not bully; be thoughtful, but not lazy; be humble, but not timid; be proud, but not arrogant; have humor, but without folly."

—Jim Rohn, entrepreneur, author and motivational speaker

Rights and Responsibilities of Cooperative Membership Shareholders

The following is a brief summary only. For full details refer to the Articles of Incorporation, By-Laws, Regulatory Agreement, Subscription Agreement and Occupancy Agreement.

Rights

To receive timely notice of all changes in Board policies, house rules, and other matters affecting the co-op.

To enjoy peaceable possession of his/her dwelling unit.

To be charged only his/her proportionate share of the co-op's expenses.

To receive all services and use all common facilities available to all other Shareholders in a non-discriminatory manner.

To review annual audited financial statements prepared by an independent accountant.

To examine the books and records of the co-op at reasonable times.

To be notified in writing of the Annual Meeting or any special meetings of membership shareholders.

To call for special meetings of the membership shareholders, subject to the provisions contained in the By-Laws.

To vote in person or by proxy on all issues requiring a vote at such meetings including the election (or removal) of members of the Board.

To be a candidate for election to the Board of Directors.

To be a candidate for election (or appointment) as an "inspector of the elections."

To vote on proposed amendments to the Occupancy Agreement, Articles of Incorporation or By-Laws, subject to the stipulations contained in the above documents.

To vote to dissolve the Corporation.

Membership Responsibilities

To pay all financial charges in a timely manner as prescribed in the collection policy.

To know the provisions of the Cooperative's basic legal documents, By-Laws, Subscription and Occupancy Agreement(s).

To do nothing that deprives others of peaceable possession of their dwelling unit.

To act as a cooperative membership owner NOT as a tenant.

To attend meetings in person (preferred) or by proxy.

To vote in person or by proxy on all issues that may properly come before the membership for decision.

To be candidate for election to the Board, and if elected, attend all Board Meetings.

To accept election and/or appointment as an "inspector of election."

To volunteer your time serving on committees.

To treat your cooperative's public areas like your home, which they are.

To read, sign, and be responsive to and for the following codicil to the Occupancy Agreement.

REMEMBER: IF YOU CAN'T HELP, PLEASE DON'T HINDER.

Must Have Documents . . .

Corporate Articles of Incorporation & By-laws

DC Cooperative Act

Maryland Cooperative Housing Corporation Act

Virginia Real Estate Cooperative Act

Membership Subscription Agreement & Occupancy Agreement

Cooperative Policies and other House Rules

Cooperative housing in school

What is CHUM?

CHUM is a zero-equity housing cooperative serving the community near the University of Maryland in College Park, just outside Washington DC. We have an open membership policy, meaning all members of the community willing to contribute to the cooperative in certain specified ways are welcome. Additionally, CHUM believes cooperating with non-members and improving the vitality of the College Park community is very important. We host weekly community potlucks open to all of College Park. Finally, many CHUM members are vegetarian or vegan, promoters of social justice, and environmentally conscious.

How CHUM Works

As an intentional community, we have several structural elements to keep individual houses and the entire organization running smoothly:

The Cost

By working together and pooling our knowledge and resources, we can keep housing costs in CHUM lower than anything else you'll find in College Park.

We're able to keep food costs low by buying in bulk and sharing - most houses cook and eat dinner together at least five nights a week.

We also aim to provide housing for low-income individuals, and we don't want to deprive anyone of a roof over their head just because they're in financial stress. That's why we offer payment plans and rent emergency loans so that members can pay their rent in small installments over several months, or if necessary, get their rent due date extended, penalty-free, for up to 30 days.

Why we are needed in College Park

In a metro area with high demand, affordable housing options are scarce – worse, student demand for housing drives rental prices up further. One major role of a co-op in this environment is to try and counteract this pressure on pricing by permanently preserving properties as affordable dwellings. In addition, our co-op's unique proximity to the University brings forward the possibility of exposing future leaders or University affiliates with an alternative model for solving the problems of economic disparity and community degradation. Co-ops are especially unique in the requirement that membership be actively involved and crucial in determining the direction of the co-op. The principal of member ownership is important both personally and societally. This not only gives members greater autonomy over their own lives but also leads them to engage and involve themselves outside of the co-op because they now have invaluable experience in consensus decision-making, running a business, and generally being active participants in an institution. Finally, co-ops are unique in the close bonds they foster amongst members and in the way they connect with their neighbors as a permanent fixture of the community. A higher-density, community-centered model of living that brings together strangers to live together and help each other is an excellent alternative to traditional family structures that are not available or desirable to everyone.

Taxing a Cooperative

The Internal Revenue Service provides special rules for taxing cooperatives under Subchapter T of the Internal Revenue Code. Under Subchapter T, a cooperative business is not taxed on income given to its owners through a patronage. A cooperative receives this special treatment so long as it has a method for paying patronage, even if patronage is not actually paid in a given year. (For cooperatives, distributions to owners are generally known as "patronage." Patronage distributions are typically made when the cooperative's board of directors, governing body, or membership determines that the cooperative has enough profits for the year to give excess to its owners.) Thus, cooperatives can benefit from the IRS's method of taxing the cooperative's patronage. Also, certain cooperatives can be tax-exempt, such as certain types of farmers' and fruit growers' cooperatives.

The rules above apply to taxation from the Federal Government. In Maryland, a business entity is taxed as either a pass-through entity or a corporation. Therefore, any potential Maryland cooperative should seek the aid of a tax professional to determine their proper tax structure. For those interested in learning more about the taxation of a cooperative, consider consulting with an attorney or tax professional that is familiar with cooperative businesses.

Read the Law: U.S. Code, Title 26, Chapter 1, Subchapter T - Cooperatives and Their Patrons
Source

Originally posted by Justin DeVault, Jordan Halle, Douglas Nivens, II, and Anna Sholl, Rule 16 Student Attorneys (Fall 2013), Community Development Clinic, University of Baltimore. Edited by PLL.

Q&A: Alterations in a Co-op
BY MARK HAKIM 2023 APRIL



Q. My co-op recently approved my alteration agreement but is requiring an independent plumber to oversee the work of my contractor's licensed (and bonded) plumber, and at my expense. My contractor has told me that this is quite unusual and makes no sense. Is this common practice in a co-op renovation and can the board enforce it? Additionally, the co-op is asking that I pay the cost for the building architect to review and approve work identical to work previously approved in other apartments identical to my own. Does each apartment have to have the same work approved every time it's done even though it's exactly the same work? Thank you in advance for any advice.

A. "The board of directors for the cooperative corporation has a fiduciary duty to all shareholders, and that includes when alterations are being made," says Mark Hakim, attorney with Schwartz Sladkus Reich Greenberg Atlas LLP in Manhattan. "Alterations can have an adverse impact on the building and its systems, including plumbing, and the board must make sure that all is done in accordance with law and the proprietary lease, and without any adverse effects. Any material alteration will likely require the corporation's consent, which consent may be conditioned on many things, including hiring, at the shareholder's expense, professionals to monitor and approve the work. "Also, note that most corporations also require any shareholder performing alterations to enter into an 'alteration agreement' which will require, amongst other things, that the shareholder submit plans and a scope of work for approval, maintain insurance, and pay the corporation's professionals for their participation in the process. "Alteration agreements generally also require that the shareholder pay all the costs related to the work, including that of building's professionals who review the plans and monitor the work. Here, the board is requiring the outside plumber to be hired and paid for by the shareholder which the board, generally, has a right to do under the proprietary lease and the alteration agreement. It is quite prudent of the board to have the work monitored, and certainly it should be at the cost of the shareholder performing work (honestly, it would not be fair to the other shareholders to have to pay for the work being performed by others). "Lastly, with respect to the work being approved each time, even if it appears 'identical,' most work or the conditions of the systems (here, plumbing) are not truly identical and the board must ensure, in each instance, that any work being done is performed properly and does not adversely affect the building or its systems."

Urban Plant Care It's Hard Out There for a Plant

City life can be hard—especially on plants. You laugh? Well, think about it. There's limited room to grow, all kinds of pollution, sun-blocked settings...it's no wonder plant life has to be extra-hardy to make it in city environments. And that's not limited to weeds.

Like their suburban and rural counterparts, city dwellers like to see a splash of green and tranquility in their angular, hard-edged landscape, and will introduce plant life wherever they can: from window planters to roof decks to creating a quiet refuge in any courtyard space they have. The problem for the plants—and by extension, urban landscapers—is keeping those plants alive and thriving in the urban desert. Success depends on several factors, including choosing the right species, putting it in the right place, and caring for it in the right way. Miss one of those factors, and your urban oasis will be a withered wasteland in short order.

Harsh Environments

To the uninitiated, an urban landscape looks like it should be able to sustain the same plant life as any other spot located in the same climate belt—but that's not the case. Urban gardening spaces are more often than not located on the rooftops of buildings, or in 'courtyards' originally designed as airshafts, with limited light and exposure. Rarely does a multifamily residential building in a city environment include a large patch of actual terra firma with light and air on all (or even most) sides that can be used as a proper garden. When space is sharply limited, such a spot is simply too valuable to give up for flower beds and shrubbery.

To a plant, the dense, heavily-paved cityscape might as well be a desert, or the top of an alpine peak, says Rani Dorman, owner of Blooming Urban Design Scapes, a landscaping company based in New York and specializing in urban gardens. "Rooftops are kind of akin to mountaintops—except on a mountain, the wind comes from all directions, not only one, which is more common in New York. Also, sunlight is more intense on a New York rooftop than it is at ground level, and it's always colder. You have to pick your plants accordingly."

"Rooftops can be similar to a desert environment," adds Brian Churchill, co-founder and COO of GroundsKeeper, a landscaping firm located in Ashland, Massachusetts. "They tend to be dry and windy. When you get up on the roofs, it's very dry. Despite the rain, the environment is different. Soil can heat up, cool down, or get really wet, like in a desert, not a typical Northeastern ground level garden. And there's a lot more wind—so the plant material has to be tough."

"When choosing plants for a courtyard or a roof, one must also look at the irrigation situation," says Lou Caggiano, CEO of LCC Landscapes located in Fairfield, New Jersey. "Is the area irrigated? Or can it be? Generally speaking, plants on a roof are more exposed to weather than on the ground. We choose plant material that is resistant to drought, such as black-eyed susans or daylilies, and evergreens, such as juniper. Plants that will withstand the hot dry summers and cold dry winters." So the concrete jungle is really more of an arid moonscape.

Logistics

For landscapers and landscape architects, the single biggest challenge in urban environments is the actual logistics of getting the plants, planters, soil, tools, and other necessary gear and supplies onto the roof or into the courtyard. For starters, say the pros, parking is a nightmare.

"There's a lot involved with going out to get the plants, planters, and other materials," Dorman says. "We have to rent a truck and go outside of the city to buy everything. And of course you can't just pull up and park a truck in New York City. Then there's no standing when we make a delivery. If we are doing a rooftop, we may be doing 20 or 25 boxwoods—and we can't do that kind of purchasing on East 28th Street in the traditional Flower District. We need a huge selection of plants, so we have to leave at six in the morning to go to the nurseries, which are one to two hours away. It's not just about the price—it's about the quality. Which is why we have to go to buy the plant materials at nurseries, and not Home Depot."

"The logistics are a nightmare," agrees Caggiano. "Getting the material to the buildings is difficult. We're often using freight elevators—and in some cases we need cranes. The planters need soil, which has to be piped up to the roof, or brought up in bales. A lot of time is spent getting materials to the roof. We did a job at Hudson Point in River's Edge where we went through the lobbies and freight elevators, and every part of the building we walked through was lined with plastic. It took a crew of 25 workers a whole day just to get the plant materials to the roof. The actual planting time of all that material was a half-day for four workers." "Putting plants on the roof adds 75 percent more to the cost of plants and materials," Caggiano continues. "Time for labor on a roof project is roughly double what it would be for a suburban ground-level garden. Getting the materials up to the roof is quicker with a crane. Freight elevators take much longer. But cranes, obviously, are an additional expense."



Continued on page 7

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Churchill concurs. “Rooftop work presents a whole other world of logistical issues,” he says. “You may have a job that at ground level would take an hour, but you may have as much time or more spent just going up and down. You can’t just unpack a truck like at ground level—you have to consider building entrances, security, elevators, and how and where to store materials. You have to plan it all out beforehand, including scheduling and timing. It takes more time to do the work in this setting.”

Care & Feeding

Another aspect of rooftop and courtyard gardens is choosing plants and knowing how to maintain them. As mentioned, both environments require hardy species that don’t require much water and attention.

“What grows on a hillside in New Jersey won’t survive on a roof,” points out Caggiano. “It doesn’t have the hardiness. You need to fertilize frequently, and you really can’t mulch on a roof because of weight. You need organic fertilizer, because soil in planters must be augmented often. We choose smaller trees as well, both for weight considerations and overall hardiness.” Even still, he says, “They generally live five years or so.”

From Churchill’s standpoint, it’s all about proper plant selection. “You can find the proper plants for any environment—ones that are more sun or wind tolerant,” he says. “You have a lot more work to do if you don’t do this. [Chosen plants] should not have as much leaf surface area—so not holly, for instance. Rather something with needles for the wind. Proper plant selection is going to lead to better results. There’s also lots of plant replacement involved with these types of gardens. If you have a plant that just doesn’t work up there, you can do everything and that plant won’t live.”

“You always need the right zone plants,” explains Dorman. “You need to know what the coldest and warmest temperatures are going to be in your region. For example, New York City is in climate Zone Six—but that has changed dramatically due to climate change. We can push things now that we couldn’t plant before. We now plant Zone Seven, which historically was south of here. But on roofs there are other considerations. It’s high up, you get lots of wind, and you have to consider that. There are often dangerous temperature changes now as well, again due to climate change. For instance, it was five degrees this past Christmas Eve, then 50 degrees the next day. Plants are not prepared for that. There’s little you can do to protect the plants from that, other than mulching when you close down before winter. Proper winter pruning is key, and also anti-defecate spray on ground-level evergreen leaves to save them from pet waste.”

And speaking of living threats to plantings...another problem, Dorman points out, is pests. “Previously, when the weather got cold, pests and fungi went dormant, but now that it’s warmer, they don’t. They are multiplying faster, staying longer, and doing more damage. The spotted lanternfly, for instance, was an anomaly. The quantity in which it arrived was overwhelming. There was no real treatment for it. Pests are adapting more easily now because it’s warmer.”

“Often,” says Caggiano, “the residents don’t understand that they need to maintain the garden, and not just leave it to nature. They need a maintenance plan to extend the life of the garden. Maintenance costs money in the short-term, but it will save money in the long-term by extending the life of the plant materials.”

In the final analysis, urban dwellers are seeking a splash of nature and color in their lives. They have limited options as to where to put these little oases. Rooftops and courtyards are generally their best choices. What they must keep in mind is that these oases require care and work—and will return much joy.

A J Sidransky is a staff writer/reporter for CooperatorNews, and is a published novelist. He can be reached at alan@yrinc.com.

ADVOCACY ALERT

We’re outraged by this: Customer service at the Social Security Administration may get worse before it gets better.

The Social Security Administration announced that wait times on calls to the national number may INCREASE to 35 MINUTES, and the waiting period for disability claims may even jump to 15 MONTHS.

Just last December, we fought hard to expand the Social Security Administration’s budget to help solve this issue — and Congress listened, by boosting the administration’s funding by \$785 MILLION dollars. So it’s outrageous that seniors and people with disabilities may STILL have to deal with terrible customer service in 2023. We flooded the inboxes of our lawmakers! That’s why we won’t accept this announcement.

Seniors and people with disabilities face increasingly gigantic hurdles to get answers to their Social Security questions: Over the last decade, phone calls take 10X longer to be answered, and the average processing time for a disability claim is 100+ days longer. An average of 10,000 people a year die waiting for a disability benefit decision — this is downright unacceptable for people who simply want to know if they qualify for benefits.

Right now, as seniors and people with disabilities face higher inflation on fixed incomes, we NEED Congress to make sure the Social Security Administration improves customer service now.

Congress would do well to listen too, because people 50+ are the strongest voting bloc. We vote, and politicians who ignore us do it at their own risk.

Let’s remind Congress of our power and send an overwhelming message today. Tell your lawmakers: Make sure customer service is improved with oversight of the Social Security Administration.

AARP is ALWAYS fighting to protect and strengthen Social Security. Thanks to our nearly 38 million members, our power is incredible. Today, with your help, we’ll show it once again by making our voices heard to every lawmaker in Congress.

Thank you,
The team at AARP Advocacy

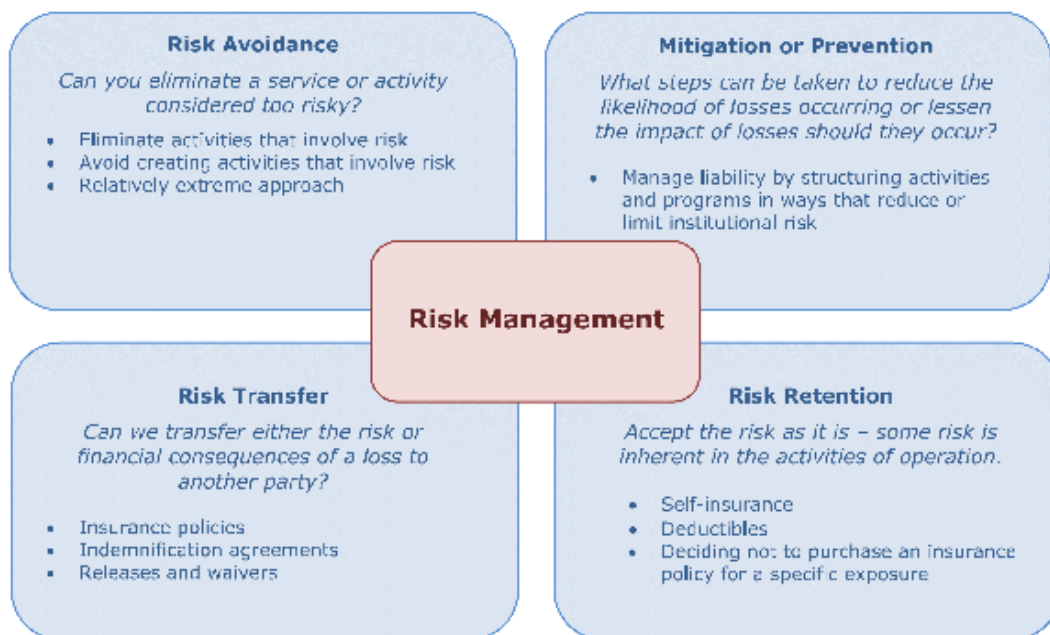
A Note from Marion....How to Control Rising Costs

FOUR COMPONENTS OF EFFECTIVE RISK MANAGEMENT

Risk management is the identification, assessment and prioritization of risks and the subsequent coordinated and economical application of resources to minimize, monitor and control the probability and impact of losses. Effective risk management activities create value and should be an integral part of the decision-making process. How does risk management impact your bottom line?

- Opportunity for better pricing on insurance premiums
- Saves out-of-pocket costs like deductibles
- Ensures a safe and stable environment for employees, volunteers and customers
- Helps you understand and be prepared for risks before losses occur

Strategies for addressing an identified risk typically include two of the following:



The insurance professionals at Marion Miller Insurance have a variety of resources to help you build an effective risk management program.



NAHC Honors Former President and Board Member, Vernon Oakes, with the Jerry Voorhis Award

