

# MAHC MESSENGER

James M. Knight  
Editor-In-Chief



## MIDWEST ASSOCIATION OF HOUSING COOPERATIVES

PO BOX 185  
ROMULUS, MI 48174-0185  
Phone: (734) 955-9516  
Fax: (734) 955-9518  
E-mail: CarolynMAHC@aol.com

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It is the Mission of the Midwest Association of Housing Cooperatives to support and champion the cause of quality housing through education, legislative action, partnership and advocacy for housing cooperatives.

## ARE YOU READY FOR COMPANY?

BY ANDY BROWN



“**C**ompany's coming!”

In the small-town, pre-Internet, pre-videogame world that I grew up in, those words were almost always good news. It usually meant that friends or relatives were on their way, and that our family would enjoy visits with people of importance to us. Or sometimes, the company would be more official in nature, such as a local priest or minister, or someone calling from a community business. But nonetheless, it was always very nice to welcome someone to our home—except for one thing.

That "one thing;" to which I refer, would be my mother's last minute call for us all to pitch in to make sure that our house was "ready" for company. My mother demanded that things be straightened up, not for us, but for the company, for she had a knack of looking at our home through the eyes of the visitors and seeing things that were out of place. I must admit that our family occasionally balked at the scramble to put things in order before the company arrived, but *we* often marveled at how much better things looked once

*(Continued on page 2)*

(Continued from page 1)

we did so.

In the cooperative world, looking at day to day operations from a different perspective is a hard thing to do, but, as in my family's example, can be rewarding. And, in the case of cooperatives, it may be imperative to do so because "company" really is coming.

Cooperative leaders devote much of their time communicating their desire for others to respect the cooperative business model. Cooperatives have justifiably boasted their ability to deliver a wide range of food, utility, housing, financial, and other vital services to member-owners efficiently and economically. But, the cooperative story is still relatively unknown in mainstream business, academic, and consumer circles. That lack of awareness is ripe to change, and in part because of the current economic conditions, it just might.

Witness the recent appearance of NCBA Vice President Adam Schwartz on CNN's "Issue #1" news program devoted to rising food prices. Adam did an excellent job promoting the ability of food

**Who Might be looking at your cooperative? Prospective members, public officials and the media are all candidates to be the first people through the door trying to learn more about you.” -Andy Brown**

cooperatives to provide an economical food distribution alternative, and he also put in a good word for member controlled cooperatives in all cooperative sectors.

Adam, in effect, used CNN as a platform to invite consumers, the press and others to look us over. On one hand, the cooperative movement had to be thrilled

with Adam's initiative. But, are we ready for the scrutiny? Better yet, is your cooperative ready?

Who might be looking at your cooperative? Prospective members, public officials and the media are all candidates to be the first people through the door trying to learn more about you. But

my advice is to be even more ready for inquiries from your present members. Anticipate that there may well be cooperative members with a new or renewed interest in their own cooperative.

How should a cooperative prepare for such increased interest? What are the questions that the cooperative should be asking

itself in preparation for "company?"

In every issue of the *Cooperative Business Journal*, there is a listing of the seven cooperative principles (see page two). For any cooperative doing a self-assessment, the first questions have to be: Are the cooperative's business and governance practices in accordance with the cooperative principles? Is there widespread awareness of the cooperative principles throughout the cooperative? Let's move on to some questions you might use to assess whether your cooperative is ready for member or outside curiosity:

1. Does your cooperative have a well-defined and clear mission?
2. Do you have a strategic plan to accomplish your mission? Are you

(Continued on page 3)

(Continued from page 2)

following your strategic plan?

3. In terms of governance, do you have a well-informed, enthusiastic board of directors setting policy and direction for the cooperative?
4. Is your management staff performing well under the strategic plan?
5. Do board and management have clearly delineated and complementary roles? Is there troublesome overlap between those roles?
6. Is your cooperative well-known and involved in your community?
7. Does your cooperative cooperate with other cooperatives, either within your specific industry, or via groups such as NCBA?
8. Is there broad member awareness of, and support for, the cooperative's mission? Is the membership well informed about the benefits and obligations of belonging to the cooperative?

Once a cooperative begins analyzing its relationship with its members, there are member specific questions to address:

1. Do you have a good member communications program, or one at all?
2. Is your annual meeting well-attended?
3. Do you treat your annual meeting as a burdensome statutory obligation, or do you embrace it as a member relations opportunity?
4. Do you have contested board elections?

I have one final question that may tie many of the



previous questions together:

Does your cooperative have a formal orientation program for new directors? If the answer is no, then start one.

An Orientation overview for a new director should touch on most or all of the question/issues that I raised in this article. Remember, an orientation should not be an explanation of “the way we do things here,” but rather measured against the cooperative

principles.

But, if you have no new directors, this is a great opportunity to recreate my mother’s old trick and look at your cooperative through the eye’s of “company.” Create and talk to an imaginary new director and answer the questions I’ve listed above (and add your own to the list). If you don’t like the answers, aren’t you glad that they came up because you asked them yourself before someone else did?

If you like the answers to the questions, great. Start inviting company to drop by. But, if you don’t like the answers, get to work, because company may already be on the way!

Andy Brown, a former NCBA Board member, is Of Counsel to the law firm of Bennet & Bennet, PLLC. You can reach A b n d y a t abrown@bennetlaw.com

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## INTRODUCING TRACEY GOETSCH



My name is Tracey Goetsch and I have had the privilege of being recently elected to the MAHC Board of Directors. I would like to introduce myself to the membership of MAHC.

I have lived at Colonial Square Town Homes in Kansas City Missouri on two separate occasions. The first time I lived there was for a period of about 8 years, as I raised my two young children. I returned to cooperative living after being away and have now been there 7 years. I returned because I missed the community feel of cooperative living along with the affordability and the maintenance benefits. It was the sense of community that was the main draw to come back.

My children are grown now. Each one of them has expressed an appreciation for growing up in a "true community" where neighbors knew each other and cared about each other. Both my son and my daughter feel they have a need to give back to their world as a result. My daughter has her masters in social work and is working in London England. My son is a Navy Seal based in California. Both of them say that their time as children, growing up in the cooperative community has influenced their life choices as adults.

My career choice has also been influenced by the cooperative community and philosophy. I work for Midland Group. The Midland Group is a company created from a vision of serving the disadvantaged and at the same time providing a valuable service to the healthcare industry. Midland was established to fulfill a charitable mission of improving access to healthcare for the low income and under insured

people. My job, as the Business Line Manager for Midland Capital Resources, is to negotiate contractual arrangements for the various healthcare facilities to establish payment plans for patient that have health care costs that are not covered by insurance or any public benefits programs. Our purpose is to make it affordable for patients to seek and secure the health care they need, while providing them the means to pay for that care with payments that fit within their family budgets. Currently I oversee this program for over 15 hospitals in the Kansas City Metro area and across Missouri and Kansas.

Prior to that I worked with Agrilance Industries, Missouri Department of Labor, Hopcroft Glass, United Missouri Bank, and MeraVic Co. I have always enjoyed working directly with customers and clients to serve them in the best way possible. I intend to do the same with my service on the MAHC Board of Directors.

I have served on the Board of Directors for Colonial Square Town Homes for over three years. I am currently serving as the Vice President of that board. During that time our community has seen many changes. We have paid off our HUD mortgage and undergone extensive education as to our options as a result of the pay off. As a community we elected to remain it cooperative and to continue to try to keep the community spirit that is such an asset for us all.

It is my honor to serve on both Boards. I will strive to do my best to contribute to the mission of promoting the benefits of cooperative living and the sense of community we all enjoy as a result.

*Cooperatively Yours,  
Tracey Goetsch*

## YOU HAD ME AT "HELLO"! BY TRACEY GOETSCH, MAHC BOD

This famous line from the movie Jerry McGuire should serve as a mantra for our onsite managers throughout the Cooperative system. The greeting a person receives when entering our office, whether a member of the cooperative or a potential member, should make them feel immediately welcomed and comfortable talking with our managers.

That first impression for an outsider can make or break a deal. Our waiting lists should be teaming with applicants for our units. When a potential "looker" presents themselves in our office, they should be greeted with a warm and welcoming "HELLO". This should be followed with an enthusiastic description of Cooperative living and its benefits. They may be expecting the same old routine of quoted rental prices and amenities that they have seen at apartment complexes they have visited prior to coming through our door. They may not be fully aware of what they have walked in to. This is our opportunity to educate them on how Cooperative living could be the true answer that they have been looking for.

The conversation could go something like this: "Good morning, so glad to see that you have come into our offices. Are you looking for a new place to live? Please have a seat, (an offer of refreshments would be nice) let me get to know exactly what your needs are and then maybe I can tell you how we can help you."

The first step is to make the visitor feel welcome and that we are interested in them personally. Asking the question of what they are looking for will lead perfectly into a clear explanation of the benefits of Cooperative living. Most "lookers" have needs such as unit size, number of bedrooms, access to schools and shopping, proximity to work, etc... As the visitor is explaining these needs and requirements the manager should make notes of key points to address with them. Then, only after the visitor has finish with their list of needs, address their issues. Waiting for them to finish and making needed notes only serves to

demonstrate that you are a manager that is willing and ready to listen to their needs. Explain that Cooperative living can help with many of them and offer them the many benefits that they may not be aware of with Cooperative living.

Cooperative living is, after all, the best of all worlds. This is something that we as member already know! Potential members do not. Cooperative living offers the best side of "renting" in that



maintenance is provided for the units and for the grounds. We share the cost of amenities and operations through the monthly charges. Yet we also, as cooperatives, offer the benefits of "home ownership". Our unit is ours to decorate and make improvements upon. As a member we gain equity with time. All members have a voice in how things are maintained and operated within the complex. All of these are facts that should be "presented", up front, to every visitor that comes through our door.

The fact that there is a waiting list should not be looked at, or presented, like a deterrent to potentials members. It should be used to demonstrate how desirable Cooperative living is.

Our managers need to also remember that members should be treated in the same warm fashion, Cooperative members

concerns are always legitimate enough to be heard with care and concern. Too often our managers are bombarded with what they see as mundane complaints that they feel are not of real concerns. But for that member bringing the complaint, the fact (as they see them) have justified their visit or call to the office.

These members should feel their concerns are listened to not just heard. The manager may not be able to immediately resolve the issue, but being thoroughly heard may satisfy the member in and of its self.

Often times, as people speak about their concerns, they are able to come up with resolutions themselves. Sometimes -NO ALWAYS- it is the manager's position to be a good listener.

Our managers are our front lines. They set the "mood" for the complex as a whole. This is not an easy job. It demands patience, resolve- organization, people skills and professionalism. As Cooperatives it is important that we provide all the needed support, education and training for our management staff to ensure that our "first impressions" are good and that they are lasting.

We should have them with "Hello", and that should just be the beginning of a wonderful relationship!

Respectfully submitted,  
Tracey Goetsch  
MAHC BOD

## **SECTION 504 AND PHYSICAL ACCESSIBILITY REQUIREMENTS<sup>1</sup>**

**By RANDALL A. PENTIUK, ESQ.**

Cooperative Housing Boards are often faced with many questions regarding compliance with Section 504 of the Rehabilitation Act of 1973. This Article is the second in a series that helps Managers and Boards be better aware of the law and what it requires of them in terms of a Cooperatives duty to make program changes in order to comply with the law and accommodate members with disabilities. For specific legal advice, however, you should always consult your legal advisor.

Section 504 generally applies to recipients of federal financial assistance. It states that "no qualified individual with a disability in the United States shall be excluded from, denied the benefits of, or be subjected to discrimination under" any program or activity that either receives Federal financial assistance or is conducted by any Executive agency or the United States Postal Service.

Each Federal agency has its own set of section 504 regulations that apply to its own programs. Agencies that provide Federal financial assistance also have section 504 regulations covering entities that receive Federal aid. Requirements common to these regulations include reasonable accommodation for employees with disabilities; program accessibility; effective communication with people who have hearing or vision disabilities; and accessible new construction and alterations. Each agency is responsible for enforcing its own regulations. Section 504 may also be enforced through private lawsuits. It is not necessary to file a complaint with a Federal agency or to receive a "right-to-sue" letter before going to court.

Section 504 defines a person with a disability to include individuals with a physical or mental impairment that substantially limits one or more major life activities. There are very specific criteria that further define a disability but the key criteria is that a disability includes a physical or mental impairment. Section 504 requires a Cooperative to provide program accessibility for its handicapped and disabled members.

For example, HUD's Section 504 regulations require that a recipient of Federal financial assistance ensure that its programs, when viewed in their entirety, are accessible to persons with disabilities. Title 24 CFR § 8.20 states: "Except as otherwise provided in §§ 8.21(c)(1), 8.24(a), 8.25, and 8.31, no qualified individual with handicaps shall, because a recipient's facilities are inaccessible to or unusable by individuals with

*(Continued on page 6)*

*1 This is the second article in a series and addresses Program Accessibility requirements under section 504. The first article covered Physical Accessibility requirements. Admission and Occupancy Requirements and Fair Housing Act Amendment (FHAA) reasonable accommodation requirements will be addressed in the future. For immediate information, please consult, <http://www.hud.gov/offices/fheoldisabilities/sect504docs.cfm>*

## **SECTION 504 AND PHYSICAL ACCESSIBILITY REQUIREMENTS CON'T<sup>1</sup>**

*(Continued from page 6)*

handicaps, be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance."

A practical example of meeting this obligation is for a financial recipient to distribute, (to the maximum extent feasible), accessible units throughout the projects and sites, and make them available in a sufficient range of sizes and amenities so as not to limit choice. Cooperatives must also adopt suitable means to assure that information regarding the availability of accessible units reaches eligible individuals with disabilities. When an accessible unit becomes vacant, before offering the unit to an individual without a disability, it is prudent to offer the unit first, to a current occupant of the project requiring the accessibility feature, and second, to an eligible qualified applicant on the waiting list requiring the accessibility features.

When an applicant or tenant requires an accessible feature or policy modification to accommodate a disability, a federally assisted provider must provide such feature or policy modification unless doing so would result in a fundamental alternation in the nature of its program or an undue financial and administrative burden. See 24 CFR §§ 8.4, 8.24, and 8.33 for further requirements and guidance.

Providers are required to ensure that information about their programs is disseminated in a manner that is accessible to persons with disabilities. For example, special communication systems can increase the effectiveness of outreach and ongoing communication. Providers must ensure that activities and meetings are conducted in accessible locations.

Federal funds recipients may ask applicants for information that can demonstrate that they can meet the obligations of tenancy including financial information, references, prior tenancy history, etc. However, housing providers may not inquire into the nature and severity of an applicant or tenant's disability, nor may they ask persons with disabilities questions not asked of all applicants, apply different types of screening criteria, or assess an applicant's ability to live independently.

Management may also inquire if the applicant qualifies for a housing program or unit designed for persons with a disability, when the housing program or unit is designed for such persons. Consider including a lease provision that requires a non-disabled family occupying an accessible unit to move if a family with a disability needing that size unit applies and there is an appropriately sized non-accessible unit available for the relocating family.

Other Section 504 requirements impose Physical Accessibility and Admission - Occupancy Requirements, but these are too extensive to be covered in this Article. Stay tuned for these requirements and other developments addressing accommodation under the FHAA in the future.

# Education on the High C's

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## *INSIDE THIS ISSUE:*

Are You Ready for Company?	1
Introducing Tracey Goetsch	4
You had me at Hello!	5
Section 504 and Physical Accessibility Requirements, 2nd in Series	6