



ASSEMBLY STANDING COMMITTEE ON HOUSING

NOTICE OF PUBLIC HEARING

SUBJECT: Cooperatively Owned Housing

PURPOSE: This hearing will examine the governance and operation of cooperatively owned housing in New York State.

New York City

Friday, February 19, 2016 from 4 – 8 p.m.
Conference Rooms A, B, and C, 8th Floor
State Office Building
163 West 125th Street
New York, NY

Particularly in New York City, co-ops have become a significant source of homeownership, with some buildings critical to low- and middle-income homeownership. A housing cooperative, also known as a “co-op”, is a type of housing that is defined by its ownership structure. In a housing cooperative, a group of individuals have shares of a corporation that owns housing and community facilities. By virtue of holding these shares in the cooperative housing corporation, it entitles these individuals the right to live in a specific unit, which the corporation owns, with a monthly maintenance fee to cover their share of operating expenses.

Given this unique ownership model, co-ops have their own sets of challenges and opportunities. Through this hearing, the Committee wishes to examine co-ops in order to understand what makes them successful, what areas may need improvement, and how co-ops can best serve their shareholders. For example, there have been instances where some co-op boards of directors have acted in ways that could be seen as disenfranchising their shareholders, who may have limited options for dispute resolution. In other co-ops, reserve funds have become dangerously low or depleted, which could jeopardize the successful operation of the co-op. Lastly, the Committee would like to explore the sale of co-ops intended to be affordable because of the affordable housing crisis.

Last year, the Committee held a hearing on Housing Development Fund Companies (HDFCs), which represent sophisticated and well-developed providers of affordable housing. However, in recent years, concern has arisen that the governance and operation of some cooperatives, beyond HDFCs, have been compromised. The Assembly Standing Committee on Housing looks to draw insight on any type of cooperatively owned housing that has experienced success as well as those that have run into difficulties with regard to their governance and operation. The Committee seeks testimony on any best practices and any issues that have arisen and how successful cooperatives have handled them.

Persons wishing to present pertinent testimony to the Committee at the above hearing should complete and return the enclosed reply form as soon as possible. It is important that the reply form be fully completed and returned so that persons may be notified in the event of emergency postponement or cancellation. There will be limited time for the completion of the hearing, so the Committee may limit the number of individuals able to present testimony.

Oral testimony will be limited to 10 minutes. In preparing the order of witnesses, the Committee will attempt to accommodate individual requests to speak at particular times in view of special circumstances. These requests should be made on the attached reply form or communicated to Committee staff as early as possible.

Ten copies of any prepared testimony should be submitted at the hearing registration desk. The Committee would appreciate advance receipt of prepared statements.

In order to further publicize these hearings, please inform interested parties and organizations of the Committee’s interest in receiving written testimony from all sources.

In order to meet the needs of those who may have a disability, the Assembly, in accordance with its policy of non-discrimination on the basis of disability, as well as the 1990 Americans with Disabilities Act (ADA), has made its facilities and services available to all individuals with disabilities. For individuals with disabilities, accommodations will be provided, upon reasonable request, to afford such individuals access and admission to Assembly facilities and activities.

Keith L.T. Wright
Member of Assembly
Chair
Committee on Housing

PUBLIC HEARING REPLY FORM

Persons wishing to attend the public hearing on cooperatively owned housing are requested to complete this reply form as soon as possible and mail, email or fax it to:

Mike Szydlo
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Assembly Committee on Housing
Room 520, Capitol
Albany, New York 12248
Email: szydlom@assembly.state.ny.us
Phone: (518) 455-4928
Fax: (518) 455-5182

- I plan to attend the following public hearing on cooperatively owned housing to be conducted by the Assembly Committee on Housing on February 19, 2016.
- I plan to make a public statement at the hearing. My statement will be limited to 10 minutes, and I will answer any questions which may arise. I will provide 10 copies of my prepared statement.
- I do not plan to attend the above hearing.
- I would like to be added to the Committee mailing list for notices and reports.
- I would like to be removed from the Committee mailing list.
- I will require assistance and/or handicapped accessibility information. **Please specify the type of assistance required:**

NAME: _____

TITLE: _____

ORGANIZATION: _____

ADDRESS: _____

E-MAIL: _____

TELEPHONE: _____

FAX TELEPHONE: _____