

# LCA Board Meeting 03-21-2007

## Meeting Minutes

LOCATION: Vortex House  
6:45 pm Walk-thru  
7:15 pm Convened

### PRESENT:

Julie (Vortex),  
Teresa (4722),  
Misia (Tree House)  
Rob (Ailanthus)  
Rick, Carrie (Percolator)  
Teresa (Shofam)  
Naima (Nyumbani)

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## **MINUTES:**

### **I Regular Agenda Items (Part One)**

A) Walk-thru Inspection Findings for Vortex House  
Nothing to report.

B) REPORT: Finance Report (see "Appendix A")

We elected to discuss the Nyumbani check-in and 'automatic agenda item' for late rent at this point in the meeting, due to Naima's need of leaving the meeting early.

#### 1. Nyumbani Check-in

Apologies for late rent. There were many unanticipated factors affecting financial ability to pay on time: unpaid time off during transition to new and exciting job with AFSC; car expenses; heating oil. Cameron's parole home plan was approved, so he will be moving in, and probably contributing financially now, not just personally. Naima strained with managing family.

#### 2. Nyumbani Late Rent Automatic Agenda Item

Naima reported Nyumbani would be caught up with cost-share in April, and will continue to pursue maintenance projects to spend their way out of owed maintenance dues. Julie suggested Nyumbani make a proposal to the Board for a maintenance dues rollover for a specific target project.

C) SCHEDULING: Next Board Meeting

We decided on Wednesday, April 25th for the next regular Board meeting, to take place beginning at 6:45 for the walk-thru inspection at 4722 Baltimore Ave. (A-Space).

### **II New Business**

A) DISCUSSION: Debt Collection

#### 1. Harmony House

We gladly noted a \$100 payment this March.

a. PROPOSAL: Robert proposed that the Board seek a mediated discussion with Sha'ifa ma in the event she does not make a minimum \$100 payment prior to any subsequent Board meeting (once a month). Carrie, Rick and others mentioned various people who might serve as mediators.

ACTION ITEM: Carrie will call and begin conversation with prospective mediators, so we can be as prepared as possible.

#### 2. Castle Greyskull

Robert reported on a conversation with Tony Pointless. His impression was Tony had good arguments for not being responsible for the debt of others, or of the Greyskull community. Others were agreed that the Castle Greyskull debt was uncollectable and should be written off as 'bad debt', a gift to everyone at Greyskull involved at the time.

It was resolved that Robert would follow through with Tony's offer of cooperation contacting Greyskull community members for collection, and write off any debt remaining at the next Board meeting.

#### 3. What makes debt bad debt?

Robert initiated a discussion of "What qualifies debt as 'bad debt'. We identified several aspects of the Greyskull community situation that made it exemplary:

a. No one is around with 'deep pockets'

b. The LCA does not possess records to demonstrate the occupancy, much less the debt of most of the individuals involved.

c.

B) PROPOSAL: Designate a Debts 'Collector'

1. We clarified that rent (cost-share and maintenance dues) is due the 10th of each month to the LCA

2. Integrating 'Collector' duties with other policy

We discussed some of the procedural responses to individual debt established within individual communities, and how these procedures might coordinate with the work of the 'Collector'.

3. 'Collector' role limited to giving and receiving payments info, and reporting to LCA Board.

4. APPROVED

We approved creation of the position and appointed Misia to it.

Details of 'Collector' duties:

- a. Give and receive info about debt and payments, and report to LCA Board.
- b. Calls to have the character of a Mariposa Co-op-inspired 'reminder phone call' -- neutral in tone; helpful.
- c. 'Collector' to make calls to individuals in response to reporting by individual communities' 'finance person' of individual members' not having paid.
- d. With or without a request, 'Collector' to call any community that was on the LCA Board agenda for 2 or more months' late rent, to get report of situation.

C) PROPOSAL: Establish a supportive and firm procedure for responding to faltering tenancies (see "Appendix B"). The Board was in consensus that the proposed procedure was basically good, but also agreed that input from the whole community would be important, prior to approving. Board rep's were charged with soliciting feedback and forwarding to Robert for incorporation into a revision that would likely be approved at the next meeting.

D) PROPOSAL: The LCA shall issue a member agreement to each member. (see "Appendix C")  
APPROVED: to have a membership agreement

Teresa (4722)'s draft was approved in principle. A few minor amendments were suggested and Teresa charged to revise and include "instructions" establishing LCA procedures for making member agreements.

ACTION ITEM: Teresa (4722) to finalize Member Agreement document.

E) PROPOSAL: LCA is responsible for all debts, community and individual.

Julie was concerned communities would be incentivized to not care about staying current. Carrie noted examples where responsible individuals lacked authority to compel fellow community-members to pay, and should not be held responsible. Robert clarified that along with LCA responsibility for debt went the LCA's authority to evict individuals for delinquency.

APPROVED: Any new debts from the date of this meeting, are the responsibility of the LCA (discussion of assuming existing debts of individuals within communities was tabled).

## **Ib Regular Agenda Items (Part Two)**

D) REPORT: Community Check-ins and Maintenance Report

### 1. 4722 Baltimore

Teresa reported --?-- something about \$5000. Flooding continues -- with the latest snow/rains and correcting the rear yard drainage issue is becoming more urgent. The cost is estimated at --?-- around \$2700.

Julie expressed concern that many of the houses have similar-sized jobs that need doing (particularly Tree House with multiple leaks from roofing and plumbing). She suggested we move forward with the 4722's proposal of hiring a home inspector to identify and prioritize the maintenance issues at all the houses.

APPROVED: Teresa (4722) to move forward with hiring --?-- the home inspection company she and Jaysun previously contacted. Priorities for inspection to include Percolator (see their check-in, below).

Action on 4722 grant request tabled pending comprehensive info on maintenance priorities.

### 2. Vortex House

Barbara is missed.

She left some money to 'Vortex House' for improvements. Vortex folks would like for the LCA to be the organization receiving the bequest.

APPROVED: The LCA will issue a maintenance grant for work on Vortex House in an amount equal to the bequest from Barbara's estate.

### 3. Percolator

A basement crack that had previously been identified as 'of possible concern' has recently expanded significantly. The porch roof is leaking and porch decking is rotting as a result. Continuing to experience electrical circuit overload symptoms.

Significant transitions in personnel ongoing. Dante and Ash have moved out/are moving out.

#### 4. Maintenance Report

The Maintenance Committee had not met since the previous Board Meeting, and did not report.

### III Appendices

#### Appendix A - Monthly Financial Report

##### Who owes what:

Ailanthus -- Q1 financial report

Nyumbani -- Owe \$232 (Sept 05 & August Cost Share), Feb & March Cost Share, \$1384 unspent maintenance money, Q1 financial report

Percolator -- March Cost Share

Quilumbo Shofam -- Paid \$40 towards April Cost Share, Q4 (05-06) & Q1 Financial Report

Tree House -- Owe \$469.99 (Oct 05), Receipts from Q2&3, final 05-06 Financial Report & Q1 Financial Report

Vortex -- All paid up

4722 -- All paid up

Pentridge Children's Garden -- \$246 this year's property tax & \$267 last year's property tax

Harmony House -- Owe Jun, Jul, Sept, Oct, Dec, Jan, Feb's loan installments (received a payment in 8/06, 11/06 & 3/07)

Harmony House -- \$10976 Debt from FY03-04 & 04-05 & 05-06 (Original Debt was \$7600 in Owed Cost Share + in \$5076 Owed Maintenance, so far they have paid \$1600)

Castle Grey Skull -- Owe \$5923

Bob Massey -- \$658

Jubilee -- Owe Final Financial Report for 2002-3 and 2003-4

##### Current Balance:

\$3766 in our general fund (This can be used for maintenance grants)

\$10,000 in our emergency fund (the goal is to have \$10,000 for emergency maintenance)

\$1200 set aside for our property taxes which are due in February (I am setting aside \$1200 a month)

##### Agenda Items:

Nyumbani owes more than two months Cost Share

##### Notes:

\$1456 was sent to Basement Services for work at Percolator & Tree House. (\$1456 will be sent monthly)

\$800 was sent to Garth Gill for furnace work at Percolator (I still need a receipt/bill for this)

Received two pass through donation checks from LAVA (\$680) Will send them a check for 659.60 once the checks clear

## Appendix B - A Supportive and Firm Process for Handling Failing Tenancies

SEE ALSO: sample processes from Kiran of NASCO (forwarded to email list earlier this month)

Following process begins if an occupant has 3 or more months' unpaid rent.

### A. Financial Consultation -

Both parties seek to understand through detailed disclosure of income sources, reasonable expenses, and prospects for changed situation, what rate of repayment is possible through soliciting personal loans, offering collateral and other measures. Emphasis on detailed disclosure and the consensus of the community that it is appropriate to ask for private financial information, given the circumstances. Debtor leaves upon achieving an understanding to stay is unworkable. If there is agreement to stay, a realistic repayment plan is signed.

### B. Mediation -

Initiated if the repayment plan (includes regular rent plus the agreed monthly repayment amount) is >15 days behind. A trusted 3rd party develops agreement between LCA and debtor about situation. Debtor leaves if appropriate. If there is agreement to stay, it is conditioned on getting current with original repayment plan within 30 days of Mediation. It is understood that inability to get current at this stage is a certain indicator the relationship is unworkable. A debtor who maintains residence is confirmed to understand that further delinquency will lead to nasty debt collection actions; continuing residency at this stage is a grave decision.

### C. Binding Arbitration -

Initiated if post-mediation repayment plan is not current 30 days after the date of the mediation. In a formal legal encounter, LCA argues for eviction, debtor argues to stay; arbitrator's decision is binding. If there is agreement to stay, arbitrator defines terms.

### D. Resort to Court -

If debtor does not comply with arbitration, LCA files suit in PA court for eviction and judgement for unpaid debt, one day after moveout date.

### E. Pursue Debt Aggressively -

30 days from a court judgement favorable to the LCA, LCA seeks attachment of wages, court-ordered drafts from bank accounts, and any other means available to recover debt.

### F. Other Outcomes -

If a debtor resident leaves the community without having initiated or completed this process, a mediation is sought for the purpose of defining repayment terms. The process moves forward from that point, with the difference that binding arbitration becomes a forum where the LCA seeks a legal confirmation of the debt and repayment agreement that will facilitate action through court, if necessary (rights of occupancy are no longer an issue).

Drafted 3/20/2007  
Board Approved ???/??/????

"Appendix C"

LCA Individual Membership Agreement

[DISREGARD HAND MARK-01]

I, \_\_\_\_\_, am moving into the Life Center Association (LCA) community/household known as, \_\_\_\_\_ on (date) \_\_\_\_\_. In addition to being a member of my household, I am also a member of the LCA. The LCA is a non-profit consensus based organization. In moving into a LCA owned property I acknowledge that I have responsibilities and obligations above and beyond those of a typical tenant situation. I am also responsible to my household and must be an active and contributing member of the household to maintain my place within the household.

I acknowledge that I am responsible for the following:

- Paying my portion of the cost share and monthly maintenance money, which totals \$ \_\_\_\_\_ in a timely fashion.
  - Contributing to my household financially (utilities, food money, house extra, security deposit) as explained to me, by my house upon my invitation to live in the household.
  - Abiding by the LCA Expectations which I have read and signed (attached).
- ❖ If I become unable to pay my share of the expenses I acknowledge that my household and the LCA may take steps to collect the money owed. The steps could include but are not limited to: mediation, arbitration, requests for collateral, or eviction.
- ❖ If I accrue a debt to my household or to the LCA I acknowledge that I am responsible for that debt even if I stop being a member of my household or the LCA.
- ❖ I acknowledge the LCA's right to charge interest on any debt I accrue.
- ❖ If I decide to leave my household I will provide 60 days/ 2 months notice.
- ❖ If I do not provide 60 days/ 2 months notice, I am responsible for my share of the total expenses for those 60 days/ 2 months, unless my household fills my spot, in which case I am only responsible for my share of the expense up until my spot was filled.
- ❖ If I leave owing money to my household or the LCA and do not provide 60 days/ 2 months notice the total expense for the 60 days/ 2 months will be added to my debt and I will be legally responsible for that debt.
- ❖ If I fail to meet my obligations to the LCA or my household I acknowledge that I can be given 60 days/ 2 months notice of eviction and I am responsible for my share of total expenses as per the ~~action~~ above.

This document is a legally binding contract between me, \_\_\_\_\_, and my household, \_\_\_\_\_, and the LCA.

Print Name \_\_\_\_\_  
Signature \_\_\_\_\_ Date \_\_\_\_\_  
Witness \_\_\_\_\_ Date \_\_\_\_\_

## LCA Expectations

- ❖ High occupancy
  - Does not mean every room is always "full," however it does mean that house is not mostly empty.
- ❖ ~~Long term commitment.~~
- ❖ Timely cost share payment
  - By the fifth of the month.
- ❖ Collect maintenance money monthly.
- ❖ Spend \$4000 per year on maintaining the house, or return remainder of maintenance money at beginning of year, however it is preferred that maintenance is done to the house.
- ❖ Maintain the building to an acceptable standard.
- ❖ Timely submission of quarterly reports.
- ❖ Keep board/ LCA informed about the following on a monthly basis, as well as in writing once a year:
  - Occupancy level
  - Building condition
    - ◆ Including but not limited to: fire code, appliances, structure, and systems.
  - ~~Financial situation~~
  - ~~Turnover~~
  - ~~Community mission~~ → *Identifying how community ~~structure~~ <sup>fulfills LCA</sup> mission*
- ❖ Be timely to meetings
  - This means arriving before the meeting is scheduled to begin so meetings can begin on time.
  - If there are extenuating circumstances to require late arrival, call ahead.
- ❖ Send at least one representative from each community to every board meeting.
- ❖ Each adult community member must attend at least one LCA meeting per year.
- ❖ Each adult community member must perform 6 hours of work per year for other LCA households or the LCA as a whole.
- ❖ Be good neighbors and maintain amicable neighbor relations.
- ❖ Abide by all board decisions.
- ❖ Discuss LCA related items at each house meetings to insure that input <sup>from</sup> all community members can be represented.

Print Name \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_