

LCA Board Meeting 2008-03-17

AGENDA AND TABLE OF CONTENTS

I Regular Business

- A) Insurance/safety inspection
- B) Next Meeting
 - >> April 15th, 6:45 @ Shofam (5023 Cedar)(Tree House alternate)
- C) Community Check-ins
- D) Finance Report (see attached)
 - 1) Proposal re: Nyumbani back maintenance spending.
 - 2) Wide-ranging discussion of LCA finance vis-a-vis global economy
- E) Maintenance Report (spreadsheet attached)
 - >> Loan still looks good, still waiting for 'underwriting'
 - >> NASCO - Jim Jones wants to come in April 6 or so.
- F) Action Items Review (see attached)

II Previous Business

- A) Ailanthus House individual member -- late rent repayment plan report.
 - >> APPROVED BY CONSENSUS
- B) Collect and Sign Community Leases >> Get your lease filed!
- C) NASCO Loan Consulting Contract (attached)
 - >> APPROVED BY CONSENSUS
- D) New Criteria for \$4K Maintenance Discretionary Spending (attached)
 - >> APPROVED BY CONSENSUS

III New Business

- A) LAVA noncash donation -- collect a fee? >> Fee optional
- B) Pentridge Children's Garden / Community Land Trust Corp. Partnership to Create PCG Staff Position?>> Robert to set up meeting.

DETAILED MEETING NOTES

I Regular Business

A) Insurance/safety inspection
[per inspection detail -- missing report]

B) Next Meeting
April 15th, 6:45 @ Shofam (5023 Cedar)(Tree House alternate)

ACTION ITEM: Julie to verify w/ Shofam

C) Community Check-ins

Vortex

Finishing up stairs. Mantua Community Vector Control visited, found some nests -- pests gone for 2 weeks, but mice are back a little.

Percolator

Ada will be away for a couple months soon. Rick will sub in as Perc. rep. Adrian will take over Ada's room while she's gone.

Needing mediation for situation between Perc. and a house member. I. has owed money to house since they moved in. Made series of agreements and has not kept them. Disputed food-share based on not getting the food he wanted. Not attending house meetings, work-days. Not doing chore: maintenance projects. Not communicating.

He's all paid up as of last week (after announcement that Perc. would be asking for help with mediation from LCA).

Discussion of LCA's responsibilities/authority in non-rent-related issues.

Start a list of members who are good mediators?

- Clarissa?
- Stevie (may be busy)
- Melanie?

4722 Assoc.

No one else has called a meeting. Teresa will call a meeting, since it's been so long.

Locks have been glued again once. May have happened during the day.

Basement flooded during the big rain last week. Nasty green stuff came up out of the drain.

Get a sump pump in back yard to pump into garden as solution for basement instead of re-grading.

Ailanthus

Things good.

>> Presented written report on housemate late rent repayment plan (per last meeting).

D) Finance Report (see attached)

1. Quilumbo Shofam -- Owe \$1030 Feb Cost Share, Final Financial Report and receipts from Q1,2,3, Q1 financial report
2. Nyumbani -- Owe \$202 (Old Cost Share) & Jan. & Feb. Cost Share, \$1384 unspent maintenance money, Q1 financial report. At its January meeting, Board decided to discuss a repayment plan at the March '08 meeting.

APPROVED BY CONSENSUS: That the LCA Board proposes the following repayment plan for Nyumbani (and is open to alternate suggestions): As of cost-share due April, be current with cost-share and pay \$100/mo toward getting current with unspent maintenance.

ACTION ITEM: Misia to communicate proposed repayment plan to Naima.

3. Loans / Miscellaneous General Finance Issues

We had a ranging discussion about the state of the US / world economies. Should we still get a loan? - Probably.

E) Maintenance Report

1. Loan still looks good, still waiting for 'underwriting' (spreadsheet attached)
2. NASCO - Jim Jones wants to come in April 6 or so.

F) Action Items Review (see attached)

Robert: Please review and email me status of each item.

II Previous Business

A) Ailanthus House individual member -- late rent repayment plan report. The Board reviewed and approved the plan Ailanthus presented for its plan with its community member to repay their debt.

>> APPROVED BY CONSENSUS

B) Collect and Sign Community Leases

ACTION ITEM: Board members to ensure their community has a signed 2007-2008 lease for Board signature at or before March meeting.

C) NASCO Loan Consulting Agreement (attached)

TERESA: Proposal: to sign the agreement proposed by NASCO to engage in consulting services to find and/or manage a loan for the LCA.

>> APPROVED BY CONSENSUS

D) New Criteria for \$4K Maintenance Discretionary Spending (attached)

>> APPROVED BY CONSENSUS

III New Business

A. LAVA noncash donation -- collect a fee?

(see copy of Jay Sand email reporting how much he will claim)

RESOLVED: Robert to communicate LCA's OK, and ask Jay for any contribution he can make, but that no contribution shall be required.

ACTION ITEM: Robert to execute resolution.

B. Contact PCG RE: possible grant for staff position via Community Land Trust Corporation

ACTION ITEM: Robert to look for number for Beth Pulsonella via Coop.

February 2008 Financial Report:

Who owes what:

Ailanthus -- All Paid up

Nyumbani -- Owe \$202 (Old Cost Share) & Jan. & Feb. Cost Share, \$1384 unspent maintenance money, Q1 financial report

Percolator -- Owe Feb Cost Share, Q1 financial report

Quilumbo Shofam -- Owe \$1030 Feb Cost Share, Final Financial Report and receipts from Q1,2,3, Q1 financial report

Tree House -- Owe \$469.99 (Oct 05) , Financial Reports FY06-07 Q1&2, Receipts from FY05-06 Q2-4 and FY06-07 Q1-4, Q1 financial report

Vortex -- All Paid up

4722 -- Paid March Cost Share

Pentridge Children's Garden -- \$213 this year's property tax

Harmony House -- Owe (Jun& Jul '06), (Sept, Oct, Dec, Jan, Feb, April-Dec '07), (Jan - Feb '08). 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)

Current Balance:

\$22,389 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)

\$0 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:

Paid All Rental Licenses.

Paid All Property Taxes, except Pentridge Children's Garden (don't have bill yet)

Roofing Loan Sketches 2008

ANNUALIZED RATE	PRINCIPAL LOAN AMOUNT				
	\$100,000	\$125,000	\$150,000	\$175,000	\$200,000
6.250	\$731	\$914	\$1,096	\$1,279	\$1,462
6.500	\$746	\$932	\$1,118	\$1,305	\$1,491
6.750	\$760	\$950	\$1,141	\$1,331	\$1,521
7.000	\$775	\$969	\$1,163	\$1,357	\$1,551
8.000	\$836	\$1,046	\$1,255	\$1,464	\$1,673
8.500	\$868	\$1,085	\$1,302	\$1,519	\$1,736
9.000	\$900	\$1,125	\$1,350	\$1,575	\$1,799
10.000	\$965	\$1,206	\$1,448	\$1,689	\$1,930
12.000	\$1,101	\$1,376	\$1,652	\$1,927	\$2,202

Monthly Payment

Existing mortgage payment to be rolled in **507.85** [**\$15,000 Mortgage balance**]

Years to payoff **20**

(change this number to see different monthly payments scenarios)

Note that the proposed Commerce loan is more complex, with increasing interest rates after the first 5 years.

Roofing Loan Sketches 2008

Adjustment to monthly cost-share to pay all of debt service without using ANY of maintenance budget										
RATE	Dollar Increase, Each of 6 hses	%	Dollar Increase, Each of 6 hses	%	Dollar Increase, Each of 6 hses	%	Dollar Increase, Each of 6 hses	%	Dollar Increase, Each of 6 hses	%
6.250	\$33	3%	\$60	6%	\$88	8%	\$115	11%	\$142	13%
Per person (6/house)	\$6		\$10		\$15		\$19		\$24	
6.500	\$35	3%	\$63	6%	\$91	8%	\$119	11%	\$146	13%
Per person (6/house)	\$6		\$11		\$15		\$20		\$24	
6.750	\$38	3%	\$66	6%	\$94	9%	\$123	11%	\$151	14%
Per person (6/house)	\$6		\$11		\$16		\$20		\$25	
7.000	\$40	4%	\$69	6%	\$98	9%	\$126	12%	\$155	14%
Per person (6/house)	\$7		\$11		\$16		\$21		\$26	
8.000	\$49	4%	\$80	7%	\$111	10%	\$142	13%	\$173	16%
Per person (6/house)	\$8		\$13		\$19		\$24		\$29	
8.500	\$54	5%	\$86	8%	\$118	11%	\$151	14%	\$183	17%
Per person (6/house)	\$9		\$14		\$20		\$25		\$30	
9.000	\$58	5%	\$92	8%	\$125	11%	\$159	15%	\$192	18%
Per person (6/house)	\$10		\$15		\$21		\$26		\$32	
10.000	\$68	6%	\$104	10%	\$140	13%	\$176	16%	\$212	19%
Per person (6/house)	\$11		\$17		\$23		\$29		\$35	
12.000	\$88	8%	\$129	12%	\$170	16%	\$211	19%	\$252	23%
Per person (6/house)	\$15		\$22		\$28		\$35		\$42	

Source data

4722 Assoc. Monthly cost-share
6 Houses' Monthly cost-share

780
1090

Total Monthly cost-share

7320

SUMMARY OF ACTION ITEMS

THROUGH BOARD MEETING 20080226

NEW:

- * Robert get phone number for Jerry from Jennifer (Tree House), for possible masonry work at Ailanthus House (4811 Springfield)**
- * Tree House to fulfill conditions for grant request
>> Julie to coordinate w/ Steve to verify receipt of receipts, notify Robert, who will put Tree House in touch with Kurtz roofing**
- * Teresa to write up formal community maintenance collection/spending policy for Board's consideration.**
- * BOARD MEMBERS: Shop idea of nylon bag fundraiser w/ housemates.**
- * Teresa to dig up materials and coordinate posting 'house available' announcement.**
- * Board members to ensure their Community has a signed 2007-2008 lease for Board signature at or before March meeting.**
- * Nyumbani inspection items correction (see 20080226 minutes)**

PREVIOUS:

- * Ailanthus to establish 3 ft. clearance around furnace, repair slat on attic ladder, 3rd floor smoke detector needs to be taken down and checked. >> PENDING**
- * Julie will edit the wording of the Late Rent Policy to reflect the approved changes. >> PENDING**
- * Ailanthus to report results of Late Rents Policy 'financial consultation' to**

LCA Board. >> PENDING

*** Board to discuss debt repayment schedule with Nyumbani at its March meeting. >> SCHEDULED**

*** Secretary to inform Bookkeeper, Collector, and Treasurer of forbearance for Nyumbani.**

*** Tree House correct walk-thru inspection issues.**

*** Ada to follow up with Julie on roof leak status.**

*** Julie to follow up with Trama, in the roof event leak persists.**

Service Agreement

Between Life Center Cooperative Association and NASCO Development Services

The Life Center Cooperative Association (hereinafter referred to as the “co-op” or “LCA,”) agrees to contract with the NASCO Development Services (hereinafter referred to as “NDS”) to coordinate a student cooperative development project for students and community members in Philadelphia (location). The goal of this project will be:

To borrow money for maintenance and improvements on the LCA houses.

With regard to this development the responsibilities will be as follows:

NDS Responsibilities

During and after the successful completion of a development project, CCDC will take responsibility for the following areas:

1. Project Administration
 - Make regular progress reports to the co-op.
2. Financing & Purchase
 - Complete all the necessary financing work related to the project. Specifically, NDS will analyze financing options, secure loan guarantees, and negotiate with lenders for primary and subordinate financing.
 - Research zoning questions and planning site rehabilitation as necessary.
3. Follow Up Work
 - Conduct training sessions for initial co-op membership and officers.
 - Provide assistance in designing governance, marketing, and education systems for a multi-house group.
 - Consult with officers and board members for the first two years of operation.
 - Review all reports and financial statements for the first two years of operation.

Co-op Responsibilities

During and after the successful completion of a development project, LCA will take responsibility for the following areas:

1. Coordination
 - Provide a representative who shall be responsible for local coordination of the development effort, including contact with lenders, contact with the University, etc. The co-op shall provide an owners' representative who shall represent the interests of the co-op to real estate brokers, NDS, and other business entities. The co-op's liaison will make every effort to maintain frequent and open communications with NDS.

2. Recruitment

- Recruit initial co-op membership.

3. Compensation

- The NDS will require compensation from the co-op for all services rendered. Compensation will take the following form:

A) A success fee for the financing of the co-op's building of 3.0% of the total project cost, or 2.5% of the project cost if LCA becomes a NASCO Active Member before commencement of the project. This amount shall be paid out of escrow at the time of purchase.

B) In the event that LCA obtains a commitment for financing from Commerce Bank through efforts already ongoing at the time of signing this contract, the success fee shall be reduced to 1.5% of the project costs.

C) An understanding that the co-op, will continue to support the cooperative movement through active membership in the North American Students of Cooperation (NASCO) and continued cooperative development through membership in NDS.

Other

1. Agreement Date: This agreement shall go into effect March 7, 2008 and shall continue until successful completion of the duties described above.
2. Extension: Upon mutual agreement of both parties, this Service Agreement may be extended indefinitely and may cover more than one development project.
3. Subcontractors: The co-op understands that NDS reserves the right to subcontract to other persons or groups for services involved in this service agreement. Fees for professional services such as architect's and lawyer's fees shall be considered reimbursable expenses.

It is understood that each party shall provide their utmost cooperation in the effective completion of the project and that a breach of faith from either party will constitute sufficient reason for termination of this agreement with compensation due NDS to cover specific costs on the project along with whatever fees both parties determine fairly compensate NDS for time and effort expended.

Signed _____ for NASCO Development Services

Signed _____ for LCA

From: Jay <jay@fundamentalchange.net>
Date: March 5, 2008 5:07:18 PM EST
To: Robert Monk <robmonk@banecorp.com>
Cc: steve@vortexhouse.org
Subject: Re: next LCA mtg.

Hi Robert and Steven,

I got through our piles of tax info and receipts for 2007 and came up with a list of receipts for stuff I put toward LAVA in 2007. I had estimated it would come out to about \$5000 and, lo and behold, the final total was \$4999.95! I know you don't need to see all the receipts, and probably don't want to. I have the list so I can send it along if you like.

I'll also send this information to Casi <casikroth@gmail.com>, LAVA's book keeper.

Steve, as I told Robert, I can't make it to the next LCA board meeting. I guess the question there is whether or not the LCA would like me to pay the sponsorship fee to the LCA to have you accept the donation. I'll go along willingly with whatever you decide.

Let me know if you need anything else from me and I'll happily get it to you!
Jay

Criteria For Discretionary Maintenance Budget Spending Proposal

Each community has a budget of \$4000 per year to spend internally on maintenance. Maintenance is anything that provides *a long term improvement to the building*.

Any major appliance that stays with the house.

- Including: Refrigerator, freezer, oven, range, washer, dryer, dishwasher, water heater, furnace etc.
- Expenses associated with maintaining a pre-existing appliance is an appropriate maintenance expenditure.

Please prioritize things that are necessary or need repair over aesthetic improvements or conveniences.

- Re-painting a room because it has not been painted in several years, would be considered maintenance. Repainting a room because you don't like the color, this is NOT maintenance.
- If you want a dishwasher, but your roof is leaking, prioritize fixing your roof.

Pets vs. Pests

- If it is alive and you want to keep it alive, the expenses are NOT maintenance (i.e. pets, pet food, vet visits etc).
- If it is alive and you want it to go away, the expenses are maintenance (i.e. pests, pest removal companies and products).
- This means, however, that paying for animal expenses because the animal will rid you of pests is NOT maintenance.

The Community has all the rights and responsibilities of a home owner

- Keep this in mind when thinking about items that you want to consider maintenance.
- For example, mowing your lawn or shoveling your walk is not maintenance, it is your responsibility as a home owner.
- If there work that needs to be performed that is beyond the scope of the "average homeowner," a community member experienced in that field may charge for the work performed. A detailed invoice of the work performed with materials and labor break downs must be submitted along with receipts. (For example, the "average homeowner" is able to paint an interior room, therefore a community member should not bill for this work performed. However, laying tile floor is beyond the scope of the "average homeowner" and it would be appropriate for a community member to be paid for this work.)

Paying a professional from outside the community to perform work is an allowable maintenance expense. (If a project is going to cost over \$500, and it is not an emergency, consider getting more than one estimate before proceeding with the work).

Consider sustainable and energy saving improvements. (For example, contemplate paying more for an Energy-Star refrigerator instead of replacing the old fridge with an equally inefficient model.)

Think about creating a "house other" or "miscellaneous" line in the communities budget to pay for things that benefit the entire community but are not long term improvements to the building (light bulbs, cleaning supplies, toilet paper, tools).