

THE COOPERATOR

News and updates for leaders of resident-owned communities

Cooperatives respond to changing state COVID-19 orders

In the March Issue of *The Cooperator* NCF provided information on amending board policies, communications, teleconferencing, and resources for residents. Now that a few months have passed and more businesses are re-opening, we want to update Cooperative boards and staff with the latest guidance and best-practices for continued safe and efficient operations. In accordance with the State Executive Orders, here is the following guidance by state.

MINNESOTA

All but one Minnesota county has reported cases of COVID-19, with over 33,000 confirmed cases between January 20 and June 18. According to the State Dept. of Health, the majority of these cases were individuals living in private residences, and the age groups with the highest number of cases were between 20-59. Many people with COVID-19 were not tested, so the reported cases are likely only a fraction of the actual numbers statewide.

On June 12, Governor Walz issued [Executive Order 20-75](#) extending the peacetime emergency 30 days until **July 13, 2020**. This means the suspension of non-payment evictions and landlord-initiated lease terminations currently remains in place. *Not included* in the statewide eviction suspension are eviction actions based on cases where the tenant seriously endangers the safety of other residents or where illegal activity is occurring (MN Statute 504B.171, subdivision 1). Illegal activity refers to situations where the tenant is in violation of one of the following: possession of illegal drugs, illegal firearms, prostitution, or possession of stolen property.

While there is no state suspension of late fees in Minnesota, NCF recommended in the last issue to determine whether or not your community late fees would

accrue and be payable at a future date, or not be charged at all during the emergency. Make sure your board's decisions regarding late fees are clear and well-documented.

WISCONSIN

Wisconsin has similar numbers of COVID-19 cases to Minnesota, but the response has been strikingly different. On May 13 the Wisconsin Supreme Court struck down Governor Evers' Safer at Home Order, effective immediately. This rendered the Emergency Order and Badger Bounce Back Plan (a phased plan to reopen businesses) unenforceable. The moratorium on evictions was part of a March 27 order and was not impacted by the supreme court decision, but expired on May 26 and was not renewed, so **the eviction process can continue as usual**.

A temporary addition on late fees was added to Wisconsin law on May 9 for a 90-day period. The addition prohibits landlords from assessing any **late fees until August 9, 2020** (*Wisconsin ATCP Chapter 134*). According to the Tenant Resource Center in Wisconsin (tenantresourcecenter.org) these rulings mean that a landlord cannot charge a tenant a late fee if the tenant is late on their rent in May, June, July, or August of 2020. Any unpaid late fees from late payment of March or April rent are not affected by this order, nor are late fees assessed *after* the order expires. This means that if a tenant is late on their September 2020 rent payment, they can be charged a late fee.

Co-op event planning in the time of COVID-19

Planning for Community Events

With summer upon us, many are thinking about how community gatherings will happen, if at all, while COVID-19 remains highly contagious. The CDC has provided a quick guide on how to evaluate the risk of various types of gatherings:



Low Risk:

Virtual-only activities, events, and gatherings



Medium Risk:

Smaller outdoor and in-person gatherings in which individuals from different households remain spaced at least six feet apart, wear cloth face coverings, do not share objects, and come from the same local area.



High Risk:

Medium-sized in-person gatherings that are adapted to allow individuals to remain spaced at least six feet apart and with attendees coming from outside the local area



Highest Risk:

Large in-person gatherings where it is difficult for individuals to remain spaced at least six feet apart and attendees travel from outside the local area.



nyclu.org

Be prepared to be flexible!

COVID-19 can take anywhere from 2-14 days to show symptoms, with six days being the average, if symptoms are present at all. In places without active COVID-19 testing and treatment responses already in place, it is likely that when someone in your area tests positive, others already have it. Again, many people are going untested, so NCF recommends being prepared to cancel any non-essential in-person gatherings and be ready with backup plans.

Your bylaws have provisions for how the membership can act without holding a meeting, including providing ballots for members to vote. Now is an important time to familiarize yourself with how members can vote without a meeting, how decisions are recorded, and what information needs to be distributed to members. Please ask your technical assistance provider if there are questions about how to ensure the democratic process is followed, even if decisions are being made remotely.

Continued on Page 3

Fill out NCF's COVID-19 Survey for a chance to win a \$100 Target gift card!

NCF is circulating a survey to the residents of all the cooperatives we serve to better understand the impacts of COVID-19. Survey responders will be entered into a drawing for a \$100 Target gift card! NCF plans to use the survey response data to help

find additional relief sources for our cooperatives. Please fill out the survey and share it with your fellow co-op residents using the following link: <https://forms.gle/567Vvu1JtLXWYhVX7>. Respond by Thursday, July 9th to be entered into the drawing.

Financial Performance Update: Impacts of COVID-19

As large percentages of the population are experiencing loss of income and unemployment due to COVID-19, many landlords are seeing above-average rent delinquencies. NCF staff have received several inquiries from our partner organizations wondering how the co-ops we support are faring in response to COVID-19.

NCF has heard from several co-op leaders about the fear and frustration that many co-op residents have experienced in the last few months. Many still struggle with lost income, inability to access childcare, and the many challenging psychological impacts created by COVID-19. From a financial standpoint, NCF-supported co-ops are doing fairly well.

NCF began doing extra financial tracking of all our client co-ops back in March as a way to help anticipate any major financial challenges and ensure each community receives the support they need to weather the crisis. Below is a summary report showing the overall financial performance of NCF-supported co-ops based on the data collected thus far.



Cash on Hand & Operating Expenses. NCF recommends that co-ops keep at least three months' worth of operating expenses in their cash on hand account. On average, NCF-supported co-ops have over three months' worth of cash on hand as of the end of May. Most co-ops maintain a healthy replacement reserve balance and are keeping operating expenses within or below their targeted monthly budget amounts. *(continued on pg. 5)*

Co-op event planning continued from Page 2

Notifying Residents

Resident-Owned Communities (ROCs) across the country are encountering COVID-19 cases in their own communities. You may be wondering what to do if someone in your community notifies you that they have tested positive. Both Minnesota and Wisconsin health departments are performing contact tracing. Contact tracers are employed to reach out to all those infected to inform them on how to quarantine for 14 days, interview them about who they have been in contact with, and ask what kind of support they may need. They then contact anyone who they may have exposed, arrange for them to be tested, and instruct them to also quarantine for 14 days (regardless of test result.) We would advise all communities to allow the Department of Health to handle official communications surrounding potential exposure. If your board does decide to notify residents that a

community member has tested positive, do not include any information that could be used to identify the individual and remind community members to practice social distancing and mask-wearing (even if they don't feel sick) to help reduce the risk of spreading COVID-19 to others.



Sungold Heights prepares for \$1M Infrastructure Project

When the residents of Sungold Heights in Worthington, MN decided to purchase their manufactured home community, they knew that their first year of ownership was going to come with some major projects. During the due diligence phase of the purchase process, engineers revealed that the entire West side of the property needed an immediate repair and replacement of the water, sewer, and road system.

The residents approved an initial lot rent increase of \$40 to help make the purchase possible, but funds still fell short of the amount needed to cover the infrastructure project cost. With NCF's help, the residents were able to secure a \$1 million grant commitment from the Minnesota Housing Finance Agency to fund the majority of the infrastructure project cost. Now, almost exactly one year since the residents purchased Sungold Heights, the community is well on its way to completing the West side infrastructure improvements.

In April, the Board of Directors chose WSB as their engineering consultant to help them with the design and implementation of the project. Sungold will have their final construction design documents completed in mid-July and hopes to have a contractor chosen soon after. Residents hope they can complete the project before the end of the 2020 construction season, so the pressure is on to get construction under way!



Sungold Heights Board and staff members pose with NCF staff after Closing on the purchase of their community on June 27, 2019. Pictured left to right: Mario Cornéjo (Board President), Victoria Clark (NCF), Julie Martínez (NCF), Lila Gonzalez (Onsite Manager), and, Than Than Kyaw (Board Treasurer).



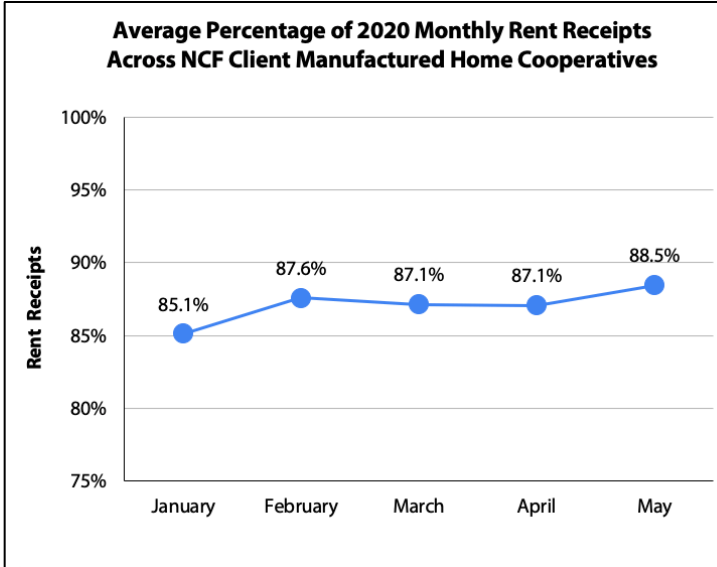
On Saturday, June 13th Paul Bradley, the President of ROC USA, gave the opening remarks to kick-off this year's entirely remote ROC Leadership Institute. If you have attended in years past, you know that it is typically an in-person event chocked full of courses about the best ways to tackle ongoing projects such as infill, budgeting, and collections.

Due to COVID-19, ROC has decided to offer these important learnings exclusively online.

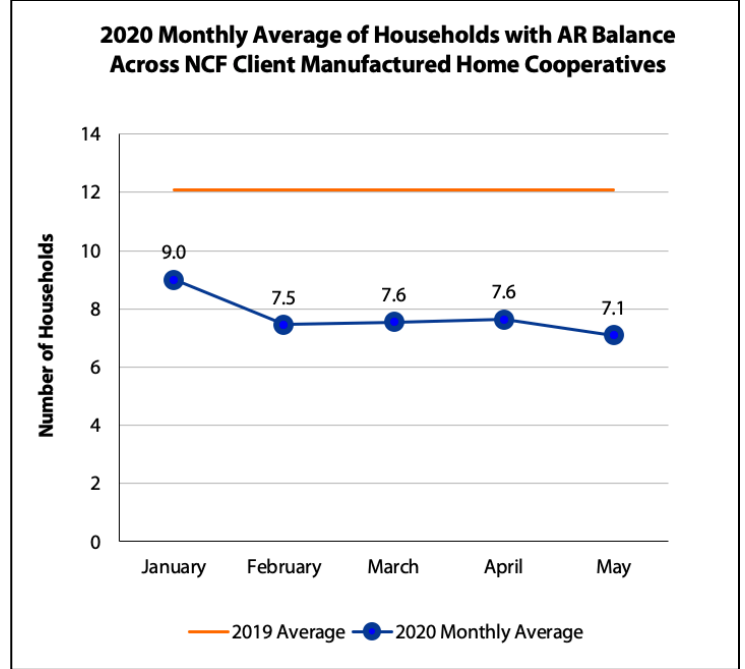
Course registration began on Saturday, June 13th and can be completed via myROCUSA.org. If you're not a Member -and/or cannot access myROCUSA.org- joining is fast and easy. Please visit <https://rocusa.org/myrocusa-register/> to get started. The deadline for registration is Tuesday, June 30th so time is of the essence. (Courses listed on pg. 6.)

Register online today by visiting myROCUSA.org

Co-op financial performance graphs continued from Page 3



Lot Rent Revenue. Overall, NCF-supported co-ops have collected a steady percentage of their anticipated revenue from lot rents. The chart below shows that co-ops have retained a collection rate of about 87%.



Households with Delinquent Accounts. The total number of households with delinquent accounts is actually trending slightly downward despite the financial impacts of COVID-19. From January through May, NCF-supported co-ops have gone from an average 9.0 households behind on lot rent to 7.1 in May.

Common Ground Conference is going online



Tom Guettler (NCF Interim Executive Director) listens to panelists during a Common Ground Conference session in 2019 on property and financial management.

In light of CDC guidelines warning against crowds of more than a few people, NCF has decided to take our 4th Annual Common Ground Conference all virtual! NCF staff are in the process of restructuring the event to reach the most people we can and making it accessible to all. It's likely that the conference will occur in multiple webinar-style sessions over several days. The intent is that attendees will be able to register for the conference sessions they want at the times that work for their schedule.

Stay tuned for conference session topics and schedule in the next few weeks!

ROC LEADERSHIP INSTITUTE 2020 Class Offerings *(continued from pg. 4)*

IT'S YOUR BUSINESS, KNOW THE BASICS! | Friday, July 10th at 1pm CDT + Wednesday, August 5th at 3pm CDT

There is a lot asked of ROC Board Members, and this can be intimidating at times and can cause board burnout. This session will help ease some of the stress of the technical aspects of managing a business, with a focus on the importance of building strong relationships. This course will be taught in English. Spanish interpretation will not be available.

REFINANCING: WHAT YOU NEED TO KNOW | Wednesday, July 15th at 3pm CDT + Friday, August 21st at 1pm CDT

It's time to refinance for many ROCs, and it's important to know how the process works. This session will review what needs to happen when preparing to refinance the loan on your ROC, and who needs to be involved in the process. This course will be taught in English. Spanish interpretation will not be available.

FILLING VACANT LOTS: GETTING ORGANIZED | Saturday, July 18th at 11am + Wednesday, August 19th at 3pm

The process of filling vacant lots can be overwhelming. But you are not alone! Getting organized and knowing how to access resources will help your community effectively fill those lots. This session will examine these resources and explore ways to get connected. This course will be taught in English. Spanish interpretation will not be available.

IN-FILL FROM A MANUFACTURER'S VIEW | Wednesday, July 22nd at 3pm CDT

Join Clayton Homes for this session that will help explain everything about the process of getting a home on site. What tools are available? How to get started? What are current options available? These questions and more will be the focus of this session. This course will be taught in English. Spanish interpretation will not be available.

MANAGING YOUR PROPERTY MANAGER | Friday, August 7th at 1pm CDT + Wednesday, August 12th at 3pm CDT

What does our property manager need to know? What do we need to know about our property manager? How do we work together as Board and vendor? How do we share responsibility? This session will explore the relationship between property managers and ROC Boards and examine ways to build and maintain a professional relationship based on respect and trust. This course will be taught in English. Spanish interpretation will not be available.

BUILDING LEADERSHIP WITH THE ROC ASSOCIATION | Saturday, August 15th at 11am CDT

Central Region: What is happening in your ROC? In your region of the country? Nationally? The ROC Association is committed to building leadership capacity within the ROC movement. This session will engage and connect ROC Leaders with each other and what's happening in your region, and how you can be part of it. This course will be taught in English. Spanish translation will not be available.

GOVERNANCE RESPONSIBILITIES (En español)

Governance is a word that can be confusing. What are the responsibilities of the board? What does Fiduciary mean? How does the board carry out these responsibilities? This workshop will have two sessions and will cover: Duty of Care, Duty of Loyalty, and Duty of Obedience.

Participants will learn the basics of the Governance of a ROC, and you can attend all or any one of these sessions. This course will be taught in Spanish. English interpretation will not be available.

- **Session 1: Duty of Care and Loyalty**
Date/Time: Saturday, August 1st at 6:30pm CDT
- **Session 2: Duty of Obedience**
Friday, August 28th at 6:30pm CDT