

Forum—Condos & Co-ops In Jackson Heights

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City Council Member Daniel Dromm, NYS Senator Peralta in tandem with ACCO [Alliance of Condo & Co-op Owners] organized a forum in Jackson Heights to inform people about their rights and responsibilities as condo and co-op owners.

In addition to the councilman and senator, the panel included two lawyers and the president of ACCO. About two hundred people showed up for the event, packing the Jewish Center of Jackson Heights. See photos in our report of the large crowd that attended this forum.



The panel informed condo and co-op owners in Jackson Heights & Queens about their rights, and discussed new state legislation which has been introduced to more clearly define the processes through which a tenant / owner can assert their rights.

The first speaker, Kevin McConnell, outlined the general legal structure and current avenues through which an owner / tenant can press grievances. Seated in the photo below [L to R] Lucas Ferrara, Kevin McConnell and Daniel Dromm.

Condo & Co-op Bylaws

Essentially most condos and co-ops are structured such that owner / tenants are both shareholders who own stock in the building, as well as tenants with proprietary leases which are renewed every 30 to 40 years. Intrinsic to this arrangement, most co-op / condo buildings are governed by a set of bylaws and each condo / co-op owner / tenant has a lease which outlines their rights and responsibilities.

The bylaws generally outline how the shares are to be allocated, the voting procedures for building officers, as well as how many shares must be present for a legitimate shareholder meeting. This bears a great deal of similarity to how the governance of any corporation is specified. All boards are required to have an annual meeting and to provide shareholders with financial information.



Content In Condo & Co-op Leases

The condo owner / co-op owner lease generally outlines the lessee's obligations and responsibilities. The intent of the lease is generally to protect the co-op or condo as a whole. Obligations include timely payment of maintenance and other fees, as well as setting standards for the overall maintenance of the co-op or condo unit. Most co-ops and condos also have clauses requiring shareholders / owners to refrain from objectionable behavior. In the photo to your right a full house at the Jewish Center in Jackson Heights.



Co-op boards also have the right to block sales of units for any reason or for no reason. Hence co-op buyers must frequently provide the information provided to the mortgage lender, such as tax returns, to the co-op board. And they must generally also provide references and go for interviews in much the same manner as one would apply for a job.

The lease also specifies that you have the right to live in an inhabitable apartment, meaning no building code violations, adequate heat and the like. And as a shareholder, you have the right to review the co-op or condo association books.



What's not well-defined, is the process through which an owner / tenant of a condo or co-op is able to assert their rights, should an issue ever arise. As previously mentioned, the governance documents outlined above are generally designed to protect the condo or co-op as a whole, but abuses can occur when those in charge of managing the process are either abusive or negligent.

One clear bit of advice, which was repeated by all panelists throughout the evening, was that the best way to assert one's rights was to: 1) document any requests to the building board or managing agent

and 2) solicit help from neighbors who are also shareholders. The last course of action is of course litigation.

NYC – Condo & Co-op Lawsuits

A couple of court cases were cited to show how boards can exercise their power. One case included a board's refusal to let the tenant move their kitchen as the board believed there was risk to the building plumbing infrastructure. The tenant hired an engineer who stated that that was not the case. And a second case was about how a man 'engaged in objectionable behavior' [a fist fight] and hence, over time, eventually lost his unit without being able to go through a due process such as the one provided in civil courts. NYS Senator Peralta speaking at the Forum for Condo and Co-op owners in Jackson Heights.



Managing Complaints

Lucas Ferrara was the next speaker. Like Kevin, he is also a lawyer. His mantra was to encourage people to use their voting power to elect good people to be responsible for the execution of the charters of the condo / co-op association.

He then went on to cite a couple of instances where board members didn't properly handle their fiduciary responsibility. He also advised that one can dial 311 to have the government send out inspectors to make sure that a condo or co-op conforms to city standards for things like adequate heating. And lastly, he advised, when you're preparing to litigate make sure you document things, including the use of certified mail / delivery.

ACCO – Alliance Of Condo & Co-op Owners

The third speaker was Larry Simms, the president of ACCO [Alliance of Condo & Co-op Owners]. He spoke about his own experiences as a condo / co-op owner and how ACCO came into being. The concept for ACCO crystallized following his attendance at a forum similar to the one I was at this evening. The guest speaker was someone from the NYS attorney's office and her response to many of the questions at the forum was, "This isn't our job. This isn't what we do." He went on to say that while there are other organizations that address co-op and condo owner issues, they approach them largely from the point of view of the building sponsors or boards. The graphic above is the ACCO logo which may be found at www.condocoopowners.org.



Condos & Co-ops In NYC – Governance Issues

He then went on to share a few stories with us from disgruntled tenants who had attempted to assert their rights. One included a co-op owner / tenant complaint about the violation of a no barbecue rule by a board president. Another was from a condo owner tenant whose kitchen ceiling fell in due to what appeared to be building plumbing issues. A third was from a condo owner whose board appeared to be ignoring imminent problems with significant price tags. And a fourth was about a conflict of interest by a board president, who was also in the employ of the building management company.



NYS Legislation – Condo & Co-op Governance



There are two bills [Ombudsman Bill #S7958 by Liz Krueger and Bill A11452 by Denny Farrell] working their way through the NYS legislature. They are intended to be self-funding by virtue of a \$6 per unit per year fee on condos and co-ops. The intent of these bills, as presented this evening, is to provide democratic representation, transparency, accountability and fair play in the governance of condos and co-ops.

Special thanks to city council member Daniel Dromm and Jose Peralta for sponsoring this informative forum.