

THE GARDENS GRAPEVINE

Volume 7 – Issue 2

3045 Eastern Avenue – Sacramento, CA 95821

Mar - Apr 2010

COOPERATIVES



2010 BOARD OF DIRECTORS

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MANAGING AGENT

FPI Management, Inc.
800 Iron Point Road
Folsom, CA 95630
(916) 357-5300

Gary Haugstad
Sr. Portfolio Mgr.

Theresa Williams
Community Director

Kurt Whisenhunt
Maintenance Technician
(On-Call/PT)

OFFICE HOURS

Mon-Fri: 8:00 am - 5:00 pm
Sat-Sun: CLOSED
Office Ph.: (916) 489-1604
FAX (916) 489-1627

**After Hour Building
Emergencies**
(916) 271-7633



To better assist and help new and existing members understand Eastern Gardens Cooperative, Incorporated the Gardens Grapevine will have a series of articles on cooperatives. Questions concerning Eastern Gardens Co-op, (i.e. bylaws, O.A. business practices, type...etc.), should be directed to the board of directors.

Housing Co-ops

Cooperative housing is not a new concept. This country's first housing cooperative was organized in New York City in the late 1800s. Today, more than 1 million units of cooperative housing are scattered throughout the United States, with large numbers located in major urban areas like New York City, Chicago and Washington.

A Housing Cooperative

Housing cooperatives are a form of multifamily homeownership. In a housing cooperative, there are two owners, the cooperative corporation and the corporation's owners, who are typically known as tenant-stockholders.

The cooperative corporation owns or leases the housing project, including all land, dwelling units and common areas. The cooperative corporation, in turn, is jointly owned by its tenant-stockholders, who by virtue of their stock ownership, are entitled to occupy a specific dwelling unit.

Tenant-stockholders purchase stock — sometimes called shares or membership certificates — in the cooperative corporation. Upon purchasing stock in the cooperative, the tenant-stockholder signs a perpetual lease, called a proprietary lease or occupancy agreement that gives the tenant-stockholder a legal and exclusive right to occupy a dwelling unit as long as all obligations to the cooperative are met.

The cooperative corporation is the legal owner of the property. As such, the corporation is responsible for meeting its financial obligations, including mortgage payments, real property taxes and management and maintenance costs. The cooperative passes on these costs to the tenant-stockholders, who pay a single monthly fee or carrying charge to the cooperative.

By altering the basic legal and finance structures, many different types of housing cooperatives can be developed, for example:

- **A market rate cooperative** sells stock at full market value in the original sale and permits a market rate of return on re-sales by its tenant-stockholders.
- **A limited equity cooperative** limits the return allowed when shares are sold. The amount of return is determined by a formula established in the corporation's bylaws.
- **A leasing cooperative** leases the property from an investor on a long-term basis, sometimes with an option to buy. The residents operate the property as a cooperative.
- **A mutual housing association** is a non-profit corporation set up to develop, own and operate housing. Generally, the corporation is owned and controlled by the residents of the housing produced.
- **An elderly housing cooperative** is a cooperative which has design and service features appropriate to a senior residency.

- **A subsidized cooperative** is a cooperative which has received some form of subsidy from a government or non-profit entity to lower the cost of the housing to the tenant-stockholders.

Glossary of Important Terms

Cooperative Housing Corporation Bylaws spell out the individual member's relationship and obligations to the cooperative. Also, the bylaws specify the duties of the cooperative's board of directors and the transfer value and other procedures relative to the sale of stock.

Occupancy Agreement — sometimes called a proprietary lease — is the contract between each member and the corporation, which gives the member the right to occupy a unit, participate in the governance of the cooperative and receive tax benefits and equity increases in return for financial and participatory support of the cooperative.

Subscription Agreement documents the purchase of shares in the housing cooperative. It includes a record of the number of shares purchased, the value of the shares and the related monthly charges.

Stock, Membership Certificate or Shares represent the tenant-stockholder's ownership interest in the cooperative housing corporation.

Code Section 216 is the section of the Internal Revenue Code which allows for the pass-through of mortgage interest and real property tax deductions from the cooperative housing corporation to the tenant-stockholders.

IN-HOUSE WAITING LISTS

In filling a vacant apartment, priority shall be give to current residents transferring within the apartment community. Transfers will have priority over outside applicants in order to comply with Fair Housing and Section 504 of the Rehabilitation Act of 1973. For further details please refer to your membership handbook page 46 or you may contact management, Ms. Theresa Williams for additional information and the necessary form(s).

NOTE: Please **DO NOT** contact the member or member's family of those vacating the apartment or those filling a vacancy, this is a private matter between management and those vacating or filling vacancies

SOCIAL COMMITTEE

Back by popular demand the skit "Lemonade", starring Ms. Janice Hoberg and Ms. Joan Wood will be performing for you live on Friday, March 19, 2010 at 7pm in the clubhouse. Refreshments before the show, i.e., coffee, tea and cookies will be available at 6:30pm so arrive early.



Those among us, who would like to display their art work, such as, oils, watercolor paintings, beads, photos...etc., bring them along. In honor of St. Patrick's Day, immediately after the show, Irish music will be played so stay awhile and visit. The next potluck is scheduled for Saturday, April 17, 2010

Point-of-Contact: Ms. Joan Wood @ 484-6901

MOVIE NITE



All movies will be on the 2nd Tuesday of each month unless otherwise noted. Details are posted inside the laundry rooms. Fifty (50) cents donation includes movie, punch and popcorn.

Where: Clubhouse @ 6:30 pm.

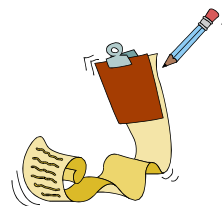
When and What:

Mar 9th – "Life Story of Aviatrix Amelia Earhart" Starring: Hilary Swank and Richard Gere. Rated PG: Drama, Adventure, and Romance. Adult subject matter.

Apr 13th – "Iris" Life story of British writer and philosopher, Iris Murdoch. Starring: Judi Dench, Jim Broadbent, Kate Winslet. Rated PG: Drama, Romance. Adult subject matter.

Point-of-contact: Kathy Kent @ 482-1533

OUTSIDE WAITING LIST



Every January for the past several years Eastern Gardens has had its Open Season for the Outside Waiting List. The board reviewed and discussed its options as to the month the outside waiting list was open and concluded that it would be in the best interest of Eastern Gardens if it moved the outside waiting list open season from every January to every

March. Therefore, beginning in year 2011 the outside waiting list will open March 1st thru 31st. There are no changes to the in-house waiting list. Members can still submit their application for an in-house transfer to a different apartment unit during normal business hours M-F.

ALTERATIONS AND ADDITIONS



While improving your apartment is an added comfort, please keep in mind the following:

❖ All alterations, additions and improvements are only for the inside of your apartment unit and require

written consent/approval from the Board of Directors.

This includes structural changes to the plumbing, electrical, or other fixtures whether removing or installing within the apartment unit, (e.g. doors, cabinets, affixed window coverings), draperies & painting excluded.

Before any alterations/additions are to begin the board of directors must receive your letter of request outlining the scope of work desired; a copy of your contractor's certificate of insurance, license and bond. Upon the boards review, you will receive a letter of approval or disapproval prior to any commencement of work. Any damage to your apartment unit, your neighbors units or the common area as a result of work performed without proper approval, insurance or appropriate permits may void the corporation's insurance policy covering the claim. Any increase in the corporation's insurance premium, fire, water or other structural damage as a result of individual improvements that have not received written consent by the board will be borne by the member/shareholder. In addition, the member/shareholder can be subject to expulsion and removal from the property. Every member/shareholder is to understand that Eastern Gardens is a Share/Stock Cooperative Corporation and that the Corporation holds title to the buildings in which the apartment units are located and you, the individual shareholder, does not receive title to an individual apartment unit but rather receive, as appurtenant to this share, a Certificate of Membership to the Corporation, an exclusive right to occupy a selected dwelling unit in accordance with the terms of the Occupancy Agreement. (See Members/Shareholders Handbook, Occupancy Agreement, page 36 & 37).

"LAUNDRY ROOMS"

Eastern Gardens does not have any rules governing the laundry rooms, (e.g. how many washers or dryers is one allowed to use at any

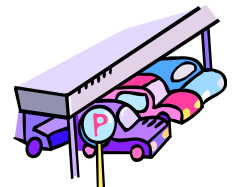


given time or how long should other members wait before removing someone else's clothes from the machines when they're not around). Should you find yourself waiting for someone to return and remove their clothes from the machines when the cycle is complete, please feel comfortable to remove them yourself; just make sure that you place them all on the table. This is an unwritten policy, but if you're not comfortable with that you may choose to submit a letter to the board with your concerns on this issue. Please remember to exercise laundry room courtesy, i.e., don't leave the rooms without cleaning them up, clean out the lint traps after your use, don't leave or put clothes out on the tables or dishes, nick-knacks and other items thinking someone could use them, and always remember to secure the doors and windows after use, especially at night. Report all broken non-working machines and discrepancies to management Also, it would be helpful for those of you who are available, that is, not working a regular 9-5 job M-F, please consider doing your laundry during the week days this will help free-up the laundry room on the weekends and be less congested. Thank You

PARKING REMINDERS

Members, please be courteous to your neighbors; have your guests park their vehicles in Visitor Spaces or any unmarked, uncovered parking stall.

VEHICLE REGISTRATION: All vehicles on the premises must be currently registered and properly insured according to state law. Any vehicles on the



premises without a current license tag (sticker) will be ticketed with a 96 hour warning notice. If not addressed with Management and duly resolved, the vehicle will be towed away at the owner's expense. (See Members/Shareholders Handbook, pg. 67)

2010 GIVE-A-WAY SCHEDULE



Bring Your Unwanted Stuff, but in Good Workable Condition

This is an opportunity for you to give away those belongings that you've stuffed away and never use.

Where: Clubhouse, 8am – 12pm

When: Saturday March 27th

POC: Mack Stonham @ 488-4473

Additional Saturday dates to remember:
6/26/2010; 9/25/2010; 12/18/2010

EMERGENCY ASSISTANCE (CPR)

Any person who renders emergency assistance is not liable for civil damages if that person is not grossly, or does not engage in willful or wanton misconduct. (AB83) A recent case held that a good Samaritan who gave emergency assistance to an injured person at the scene of an accident was not liable for making injuries worse. This new law provides that medical, law enforcement, emergency and non-emergency and any other personnel who in good faith, and not for compensation, render emergency medical or nonmedical care at the scene of an emergency can not be held liable for any civil damages resulting from their assistance.



DOCUMENTS AVAILABLE



The Audit Report for the year ending 2009 and the 2010 Budget are available to all members/shareholders of the corporation.

You can obtain them in the business office during normal business hours, M-F 8am to 5pm. In addition to these documents, monthly financial statements are also made available to members, this will include, income and expense statements, general ledger, reserve account balances, agenda and minutes of the board.

PROPOSERS FOR ARDEN ARCADE CITYHOOD

<http://www.ardenarcadecity.org/>

Part Three: The Ugly Truth The Sinking Ship



It has been suggested that annexation is a better alternative to the County. After all, Sacramento County may be the only example of a municipal government in worse circumstances than the City. Last year's County budget ran a \$112 million deficit. The Sheriff's Department has been ordered to cut \$60 million from its remaining \$130 million discretionary budget which could mean the total lay off of more than 300 detectives, deputies & staff. After massive cuts, layoffs & program elimination the County's Regional Parks budget will still be more than \$27 million short for FY 2009-10. Sheriff John McGinness has publicly demanded that County Executive Terry Schutten resign for gross incompetence, many of us have read or seen on TV the news reports suggesting that senior County

officials knew that an economic crises of epic proportions was coming and withheld that knowledge from the Board of Supervisors and the public for more than a year.

In fact, without some economic miracle, Sacramento County's credit rating will likely be downgraded to 'junk bond' status when next reviewed. This could be why the County Board of Supervisors seems to be in favor of assisting the City in its land grab efforts throughout the unincorporated areas of Sacramento County, which has led many in our community to ask if the decline in Arden-Arcade has been done intentionally. Perhaps this is why LAFCo, at the insistence of the City, added a \$12,000 study of annexation to the Arden

Arcade Incorporation process. Perhaps it is true that the County crises and the decline in our quality of life was done to make County residents beg for annexation. Perhaps the residents of Arden-Arcade would prefer swapping a 99% failed government for one that is at least capable of providing its citizens adequate police protection and basic community safety.

The Rotting Lifeboat



It is possible that the City of Sacramento could reverse several decades of mismanagement and serve the needs of its citizens in a courageous response to the extraordinary circumstances being faced. The City's 2030 General Plan clearly indicates that Sacramento's intent is to continue expanding through annexation of unincorporated areas of the County. Policy and action make it abundantly clear that this policy will continue to force the Sacramento City Council to increase service fees and taxes. Recent history and current reality are equally clear, as well, in showing that accountability and community focus are not part of the City's agenda. However, if the movement for cityhood fails, it is becoming clearer by the day that the City of Sacramento's commitment to the basic needs of safety, service and finding some solution to its own fiscal crises make annexation the next best solution. Annexation has become the lesser of two evils because the County of Sacramento is, by every measure, a 'failed state'. The County government has failed to meet its fundamental obligations in leadership, representation and management. As you read this, the County is failing to meet its primary and most important obligation of public safety. Its County Executive is still demanding more cuts from the Sheriff while refusing to take any cut to his own \$250,000 a year salary because, "...it would only be

symbolic...". It may only be a matter of a few months before it is unsafe to walk any street in Arden Arcade after dark. This despicable lack of safety will drive out what remains of our struggling businesses and all but eliminate any future investment in our community.

This is the sad truth for Arden-Arcade; if Incorporation fails to reach the voters or is unsuccessful on the ballot, annexation may be the only viable alternative. The decay of the County and the impacts of mismanagement may leave Arden-Arcade in the hands of the City of Sacramento as the only entity capable of adequately providing municipal services. The people of Arden-Arcade deserve so much more.

Our City, Our Home



This is not the future our children deserve, this is not the future our businesses can succeed in, and this is not the future any American should be forced to pass on to the next generation. Neglect and mismanagement by the County of Sacramento is not an excuse to accept a lesser degree of incompetence from the City of Sacramento. Our community deserves far better than choosing the lesser of two evils.

We deserve accountable local control. We deserve government that delivers efficient services. We deserve Safe, well maintained neighborhoods. We deserve the right to elect officials who serve their neighbor's needs, not political expediency. We deserve the right to vote on our own future.

The \$89,000 installment to pay for the required fiscal and environmental studies, submitted on July 1st 2009, almost finishes all payments needed to complete these studies. We must still turn in \$20,000 by October 1st, 2009 and \$25,000 by February 1st 2010 to pay for the contingencies added on top of all these studies. Support Arden Arcade's right to vote on our future by donating time and/or money to the Arden Arcade Incorporation Committee.

PROPOSERS FOR STAY SACRAMENTO

<http://www.staysacramento.org/>

Stay Sacramento, Stop Arden Arcade Cityhood. We are neighbors, friends, business and community leaders who have joined together to stop the efforts of a small group wanting to create another city in our region.

We love and enjoy the quality of life that exists in our

community. Those who want to put together a new city in an area that cannot afford to sustain the quality of life that we have today do not tell you that this community does not have the tax base to support a new city. They do not tell you your taxes will increase; they do not tell you that we will be paying more money for duplicated government services.

In fact, most of the money they have been raising is coming from outside the Arden Arcade area. And because they do not disclose where their money and support is coming from, we can only assume it is coming from special interest groups that will benefit from having contracts with a new government entity.

What we do believe is that by working together, we can improve our neighborhoods, reduce crime, fix pot holes, have good community planning, and reduce traffic, among other things.

Don't be fooled by the proponents misleading information. If you want to pay more taxes, add another layer of bureaucracy, and be beholden to special interest groups who are supporting this effort, then this proposal would make sense. Otherwise, we invite you to join our efforts and **Stay Sacramento, Stop Arden Arcade Cityhood!**



5325 Engle Rd, Carmichael (916) 489-7529
[Order tickets online at: www.cplayhouse.com](http://www.cplayhouse.com)

"THE BAD SEED"

March 12-April 18





Warren Harris, Director

Rhoda Penmark is the child star of her class and the apple of her mother's eye, every bit the perfect child. Then one of Rhoda's classmates drowns on a school field trip under strange circumstances. Unspeakable terror and a villain you'll never forget. By Maxwell Anderson from the novel by William March.





EASTERN GARDENS CALENDAR OF EVENTS

MARCH 2010

SUN	MON	TUE	WED	THUR	FRI	SAT
	1 9am - Tai Chi	2 10am Coffee	3 9am - Tai Chi	4	5 9am - Tai Chi	6
7	8 9am - Tai Chi	9  6:30PM Movie Nite	10 9am - Tai Chi	11	12 9am - Tai Chi	13
14  DST BEGINS	15 9am - Tai Chi	16 10am Coffee	17  St. Patrick's Day	18	19 Social Event  6:30pm Refreshment 7:00pm Show	20
21	22 9am - Tai Chi	23 10am Bookmobile 10am Coffee	24 9am - Tai Chi	25	26 9am - Tai Chi	27
28	29 9am - Tai Chi	30 10am Coffee	31 9am - Tai Chi		9am - Tai Chi	

APRIL 2010

SUN	MON	TUE	WED	THUR	FRI	SAT
				1	2 9am - Tai Chi	3
4  EASTER	5 9am - Tai Chi	6 10am Coffee	7 9am - Tai Chi	8	9 9am - Tai Chi	10
11	12 9am - Tai Chi	13  6:30pm Movie Nite	14 9am - Tai Chi	15	16 9am - Tai Chi	17 Social Event  6pm Happy Hr 6:30pm Dinner
18	19 9am - Tai Chi	20 10am Coffee	21 9am Tai Chi	22	23 9am - Tai Chi	24
25	26 9am - Tai Chi	27 10am Bookmobile 10am Coffee	28 9am - Tai Chi	29	30 9am - Tai Chi	

AN **EMERGENCY** IS A PERSONAL SITUATION THAT THREATENS HUMAN LIFE OR PERSONAL PROPERTY AND DEMANDS IMMEDIATE ATTENTION, I.E., MEDICAL, BURGLARY, FIRE, THEFT AND ASSAULT – **DIAL 911**