

AN ACT

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To establish a Limited-Equity Cooperative Task Force to provide comprehensive policy recommendations to assist District residents and the District government with improving existing limited-equity cooperatives, establishing new limited-equity cooperatives, and helping all limited-equity cooperatives succeed and prosper.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Limited-Equity Cooperative Task Force Act of 2018”.

Sec. 2. Definitions.

For the purposes of this act, the term

(1) “Cooperative” means an association, whether incorporated or unincorporated, organized for the purpose of owning and operating residential real property in the District of Columbia, the shareholders or members of which, by reason of their ownership of a stock or membership certificate, a proprietary lease, or other evidence of membership, are entitled to occupy a dwelling unit pursuant to the terms of a proprietary lease or occupancy agreement.

(2) “Limited-equity cooperative” or “LEC” means a cooperative required by a government agency or nonprofit organization to limit the resale price of membership shares for the purpose of keeping the housing affordable to incoming members that are low- and moderate-income.

Sec. 3. Establishment of Limited-Equity Cooperative Task Force.

There is established a Limited-Equity Cooperative Task Force (“Task Force”) to provide the Council with comprehensive policy recommendations on how the District can assist in the formation of new LECs and help existing LECs succeed.

Sec. 4. Membership.

(a) The composition of the Task Force shall be as follows:

(1) Three residents, each of whom is currently a board member of an LEC in the District; provided, that no 2 residents shall be from the board of the same LEC.

(2) One representative from a community-based organization that provides training, counseling, and client advocacy services to low- to moderate-income residents.

(3) One representative from a property management company that manages cooperatives in the District.

(4) One representative from a development company that develops cooperatives in the District.

(5) One representative from a financial entity that specializes in the financing of LECs.

(6) One attorney with experience working with LECs.

(7) One individual who has conducted significant research on LECs in the District and elsewhere in the United States.

(8) Other representatives appointed by the Chairperson of the Committee on Housing and Neighborhood Revitalization.

(9) One representative from the Department of Housing and Community Development.

(10) One representative from the District of Columbia Housing Finance Agency.

(b) The Chairperson of the Council Committee on Housing and Neighborhood Revitalization shall appoint the:

(1) Chair of the Task Force; and

(2) Task Force representatives designated in subsection (a)(1) through (8) of this section.

(c) The members of the Task Force shall serve without compensation and shall either reside or work in the District.

(d) Meetings of the Task Force shall be open to the public.

(e) The Department of Housing and Community Development shall provide administrative support to the Task Force.

Sec. 5. Duties of the Task Force.

Within 180 days after the appointment of all members, the Task Force shall submit to the Council a comprehensive report on:

(1) Policy and legislative recommendations related to how the District can help stabilize, strengthen, and preserve existing LECs, as well as how the District can best support the formation of new LECs;

(2) Funding options and sources to assist in the formation of new LECs and to provide technical support and assistance to LEC members and LEC boards in the District;

(3) How to establish appropriate government oversight to ensure that LEC boards have the necessary financial and structural management resources to help them succeed and prosper; and

(4) Any other identified needs or requirements for the successful formation and preservation of LECs in the District.

Sec. 6. Sunset.

This act shall expire upon the Task Force submitting the report required pursuant to section 5 to the Council.

Sec. 7. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

Sec. 8. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

Chairman
Council of the District of Columbia

Mayor
District of Columbia