



## **NYC REIC Steering Committee Meeting**

### **ILSC - 4th Floor**

**October 18rd, 2016**

Present: [Todd, Sam, Mara, Joe, Oksana, Adele, K, David](#)

1. Revisit items on [timeline](#) not covered at the previous meeting
2. Respond to requests for information from Fordham:
  - a. Governance questions (from [the minutes from Oct 7th meeting with LSLS](#)): [Table this discussion post the All-Member Meeting - to have](#)
    - i. Identify what kinds decisions by the Board would be decided by:
      1. *consensus*
      2. *simple majority*
      3. *delegation to a committee*
    - ii. Identify what kinds of actions by the Corporation would require:
      1. *member input*
      2. *member approval (by the entire membership)*
      3. *member approval (by subsets of members)*
    - iii. Identify a permanent office for the corporation (or a method for selecting a meeting place ahead of each meeting).
    - iv. Additional Governance questions:
      1. The proposal for different groups of directors (skilled, executive, at large, geographic, project specific, etc.).
      2. How will each group of directors be nominated, and elected. For example, what if the nominating committee cannot agree on a slate? Also, which members get to vote for borough representatives?
      3. Do you think that only members can be directors, or would you have directors from outside of the membership? What are the other qualifications or disqualifications for the different groups of directors?
      4. How will members make decisions (see above)?
      5. What will be the location and frequency of board meetings or member meetings, and how and to whom will notice of the meetings be given?
  - b. Certificate
    - i. Who is going to sign the certificate of incorporation when?

1. Todd will do this and pay for it and fax it in and all that
  2. Todd to do this by the All-Member Meeting
- ii. Let's get together any materials we still need: member names and addresses.
1. Mara to look up this info, Todd to call to fill in any blanks
- c. Investment Policy Questions (from [the minutes from Sept 22 meeting with LSLs and Strook](#)):
- i. Have you decided on a "blind pool"/Pooled Capital Structure or "project-specific investment strategy"?
    1. Pooled Capital Structure
  - ii. Any additions to the investment criteria provided on [NYC REIC's website](#)?
    1. Mara shared the scoping criteria with the students
  - iii. Would you like to add any investor specific rules? We discussed a limit for non-accredited investors, and some sort of investor education requirement. Anything else?
    1. Let's say, non-accredited investors limit at some amount (\$5,000), and no limit and no prior relationship requirement for accredited investors (but we will have them certify as to their income/wealth) → does this structure work for AG filing?
  - iv. Other questions for our [lawyers](#)?
    1. If we do the blind pool, would we still need to
      - After LLC buys back shares from investors, are there any restrictions on selling them to new investors?
        - Redemption in particular
      - Do we need to provide specifics on different types of securities, preferred stocks
        - First priority of payback in event of bankruptcy
      - How specific do we have to be in terms of the relationship of property and securities? Role of CLT?
        - Concern is that the CLT owning the land means that the land will not back the investor's financial interest
      - Investor education question → is there a minimum?
      - What constitutes a pre-existing relationship?
        - What about pre-existing relationship with
        - Other ideas for the 1 year period
          - CD back to back with the bank that then "converts" to an equity investment after a year
      - If we say we have future plans to take investments through website (at some future point when we can build a good website), do we have to specify this plan? How specific do we have to be with respect to fundraising plans?

- When people move, do they have to redeem their shares? Are we OK so long as they're just blacked out from new fundraising drives
3. 10/26 All-REIC quarterly meeting planning
    - a. Review agenda for event
      - i. Meet Sunday the 23rd to finalize planning and preparation for All-Member Meeting, maybe at 2pm?
    - b. Big targeted outreach in the form of phone calls ASAP to bring potential project partners in! See end of run of show doc [here](#)
    - c. Make to-do still list, and set date for meeting prep?
      - i. Need to create the samples for the vetting exercise
        1. Oksana to reach out to SoBro group and invite our contact there
        2. Todd to email Samira and invite her and ask her to spread the flyer to the BCFCU members
        3. Sam to develop Oksana's visioning exercise into a few anonymized discrete examples
        4. K to do some outreach in East Harlem to get people who might be interested in cooperatives and real estate to join the meeting (Jerome Avenue Coalition)
        5. NYCNOWC? - Todd to reach out to John Guzek (did they have a recent meeting at Murphy Institute)
        6. CEANYC - Oksana to reach out to them
        7. NYCCLI - Oksana to reach out to them
        8. Oscar? Moses? - Todd to reach out (at least put Moses in touch with Jerald)
  4. Set timeline for collaboratively writing and editing document for BCFCU / so we have plenty of time for all the different people collaborating on this to do their part well: [https://docs.google.com/document/d/1tldawE6r4A2lyb1C69b1\\_9W6S8hwSSYBcEDTxR9gJHc/edit](https://docs.google.com/document/d/1tldawE6r4A2lyb1C69b1_9W6S8hwSSYBcEDTxR9gJHc/edit)
    - a. Target first draft for October 31, target final draft over November 9 over to BCFCU
  5. Other miscellaneous items: graphic design, grants (we didn't get the Accelerator grant :<), etc. Let's vote on whether or not to become member of NYCCLI: <https://nyccli.org/organizational-member/>
    - a. Table joining CEANYC and NYCCLI until the next meeting
    - b. Develop an Investment Policy Committee

Reminder: Meeting with LSLs and Stroock on Friday @ 2pm, 180 Maiden Lane