

NEW YORK CITY REAL ESTATE INVESTMENT COOPERATIVE

CHARTER FOR THE STEERING COMMITTEE

I. Purpose

- A. *Purpose.* The purpose of the Steering Committee is to govern the New York City Real Estate Investment Cooperative (the "REIC"), and create the capacity necessary for the REIC to fulfill its goal of securing affordable space for community and cultural use in NYC. In fulfilling this purpose, the Steering Committee shall perform the duties set forth herein, including but not limited to the following:
1. Forming a legal entity for the REIC;
 2. Drafting REIC bylaws that outline a more permanent governance structure for the REIC;
 3. Proposing the bylaws for ratification by the general membership of the REIC; and
 4. Carrying out all other rights and responsibilities outlined in this document.

II. Composition and Terms of the Steering Committee

- A. *Election of Steering Committee.* The Steering Committee were elected by the REIC membership at an all-member meeting on January 28th, 2016. Only current REIC members are eligible to be elected for the Steering Committee.
- B. *Number of Members.* The Steering Committee will be composed of no more than seven (7) and no less than five (5) elected Members.
- C. *Resignation.* All Steering Committee resignations will be made in writing to the Committee and communicated to the membership.
- D. *Removal and Recall.* The Steering Committee members are subject to removal by the REIC membership at a duly-called all-member meeting. See "Grievances" (Section IV., below) for details on removal and recall procedures.
- E. *Special Elections.* If the number of members on the Steering Committee falls below five, one or more Special Elections (as necessary) shall be held to elect new members to the available seats on the Steering Committee.
- F. *Term.* The Steering Committee will be empowered to operate until a Board of Directors or other such governing body is elected, or until April 2017, whichever is sooner.

III. Rights and Responsibilities

A. Meetings and Communication

1. *Communication.* The Steering Committee shall develop and adopt a policy to promote timely and clear communications, including a standardized method for internal communication within the REIC.
2. *Steering Committee Meetings.* The Steering Committee must meet at least once per month.
 - a) *Quorum.* A minimum of five out of seven Steering Committee members must be physically present or present via Skype or phone call for the duration of the meeting. If membership on the Steering Committee drops to five or six members, quorum will be reduced to four members.
 - b) *REIC Member Attendance.* The Steering Committee monthly meetings shall be open to attendance by REIC members and shall include a designated period for comments from members. The Steering Committee shall post the time and location of the monthly meetings on the REIC online calendar at least 10 days before the meeting.
 - c) *Meeting Minutes.* The Steering Committee must keep minutes of all Steering Committee meetings. Meeting minutes must be made available to all REIC members within a reasonable time following the meeting.

3. *All-Member Meetings.* The Steering Committee must hold a regular meeting for all REIC members at least once every three months (quarterly).
 - a) *Notice.* The Steering Committee must notify members of the time and location of the quarterly all-member meetings at least ten (10) days in advance.
 - b) *Meeting Agenda.* The meeting agenda must be provided to members at least ten (10) days in advance of the quarterly meeting. The Steering Committee must provide opportunities for REIC members to propose items to the meeting agenda in advance.
 - c) *Open Forum.* All-member meetings shall include an open forum period where members can share comments and feedback with the rest of the membership.
 - d) *Duly-called.* Any all-member meeting satisfying the requirements set forth in (a), (b) and (c) of this Section III.A.3 shall qualify as a duly-called meeting of the membership, including for purposes of Special Elections of the Steering Committee.

B. Finances

1. *Spending Funds.*
 - a) *Fiscal Policy.* The Steering Committee must establish (and update, as necessary) a written Fiscal Policy that addresses all of the different sources of the REIC's income streams, (e.g. from members, grants, donations, restricted funds, ... etc.) and outlines how those different sources of income may be spent. The Fiscal Policy must address limitations on the use of funds and other REIC resources, as well as the transition of such resources to Board of Directors or other such governing body.
 - b) The Fiscal Policy must be made available to all REIC members. REIC members will have the opportunity to comment on the policy by attending one of the Steering Committee's monthly meetings and speaking during the designated time period for member comments.
 - c) The Steering Committee will have the right to spend money collected by the REIC in accordance with the Fiscal Policy.
2. *Financial Reports.* The Steering Committee must prepare income and expense reports on a quarterly basis. Income and expense reports must be provided to REIC members at quarterly all-member meetings, and also be made available to REIC members online.
3. *Accounting.* The Steering Committee shall develop and implement an organized system of financial accounting for the NYC REIC.
4. *Solicitation of Funding.* The Steering Committee has the right to represent the REIC in solicitation of not-for-profit funding such as grants. If the REIC receives a grant or other source of funding, the Steering Committee shall ensure the REIC's compliance with all grant requirements.
5. *Restrictions.* Without prior approval of at least sixty-six percent (66%) of the REIC members at a duly-called all-member meeting:
 - a) The Steering Committee may not financially obligate the REIC to spend more money than has been collected by the REIC at the time of such transaction (on a proforma basis).
 - b) The Steering Committee may not put the REIC in debt.
 - c) The Steering Committee does not have the right to enter into capital transactions on behalf of the REIC (such as issuing debt or equity or the sale or purchase of assets).

C. Public Relations

1. *Representation to the Press.* The Steering Committee is responsible for determining the method through which the REIC is represented to the press and the world at large. This includes but is not limited to the appointment of a press officer and the use of the REIC logo.
 2. *Public Relations Policy.* The Steering Committee will create a comprehensive policy regarding the representation of the REIC to the press and the world at large and share that policy with the general membership. REIC members will have the opportunity to comment on the policy by attending one of the Steering Committee's monthly meetings and speaking during the designated time period for member comments.
 3. *Affiliations and Coalitions.* The Steering Committee has the right to determine organizational affiliations and enter into coalitions.
- D. Additional Powers of the Steering Committee
1. *Incorporation.* The Steering Committee is empowered to form the legal entity for the REIC using the appropriate NY State filing procedure. Before doing so, the Steering Committee must first notify members of its intent to form a legal entity and solicit feedback from members.
 1. *Advisors.* The Steering Committee may seek advice and counsel from non-members of the REIC.
 2. *Contracts.* The Steering Committee has the right to enter into binding contracts for services and business development, and solicit services on behalf of the REIC.
 3. *Delegation of Powers.* The Steering Committee has the right to delegate powers to REIC members for the purpose of executing specific tasks. This shall include but is not limited to forming committees, empowering working groups, and appointing officers.
 4. *Obligation to Existing Working Groups.* The Steering Committee must consult with the existing working groups before forming any new committees, appointing officers, or granting new powers to working groups.

IV. Grievances

- A. The Steering Committee shall, at the soonest reasonable opportunity following its creation, enable the REIC members to form a Grievance Committee that will be responsible for receiving grievances from REIC members and handling those grievances. Membership on the Grievance Committee will be open to all REIC members on a voluntary basis, with the exception that members of the Steering Committee may not also be on the Grievance Committee.
- B. The Grievance Committee will be responsible for creating a policy for handling complaints from REIC members regarding the conduct of other members, the performance of the Steering Committee, unfair situations for which there is no applicable REIC policy or the fairness of an existing REIC policy.
- C. If the Grievance Committee receives a complaint against a member or members of the Steering Committee that cannot be addressed in accordance with the REIC's grievance policy, they have the right to call an emergency special all-member meeting and hold a recall vote for that Steering Committee member or members or add a recall vote for such Steering Committee member or members at the next regular all-member meeting. A Steering Committee member shall be removed upon the affirmative vote of fifty-percent (50%) of the REIC members at a duly-called all-member meeting.

V. Amendments to the Charter

- A. REIC members may propose amendments to the charter at any time. Proposed amendments will be included as an agenda item at the following regular all-member meeting. However, if an amendment is proposed less than ten days prior to such all-member meeting, the amendment will be added to the agenda for the following regular all-member meeting.
- B. Proposed amendments will be adopted if approved by sixty-six percent (66%) of the REIC members present at the meeting.

VI. Standards

- A. *Standard of Duty.* The Steering Committee will operate at all times in accordance with the duties of loyalty and care.
- B. *Standard of Performance.* The Steering Committee will undertake its duties and otherwise act at all times in accordance with the cooperative principles and the cooperative values as defined by the International Co-operative Alliance (ica.coop), as well as the principles enshrined in the REIC Investment Criteria. (See Below)

NYC REIC INVESTMENT CRITERIA

1. The property to be acquired is in New York City.
2. The programming proposed in the property supports culture, cooperation, and/or community benefit.
3. The programming in the property benefits populations that have traditionally had barriers to accessing stable places to do their work.
4. The property and programming proposal are financially sound so that we will be able to pay members back; we want to minimize the risks we are taking with our money and power.
5. The property acquired is restricted from being transferred as a market commodity in the future through legal mechanisms in their deeds (e.g. covenants, conservation easements, community land trusts); we can make this a prerequisite for working with us.

ICA COOPERATIVE PRINCIPLES

1. Voluntary and Open Membership
2. Democratic Member Control
3. Member Economic Participation
4. Autonomy and Independence
5. Education, Training and Information
6. Co-operation among Co-operatives
7. Concern for Community