



The Co-op & Condo Learning Center

Improving the Co-op/Condo By-laws

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Welcome and thank you for joining us for today's Co-op & Condo Webinar Series. Our topic is **“Improving the Co-op & Condo Bylaws.”** We have just a few announcements before we get started.

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Introduction

- Purpose of By-laws
 - Coop
 - Dual Role of Shareholder and Tenant
 - Condo
 - Dual Role as Unit Owner and Occupant
- Who created them
- Who can amend them

Co-op By-laws

- Annual Meetings
 - BCL: By-laws may designate reasonable procedures for the calling and conduct of a meeting of shareholders
 - Nominations: Create a procedure for nominations before the meeting
 - Send around biographies/statements
 - Does not bog down the meeting
- Quorum: BCL allows there to be a quorum as low as one-third
- Proxies: Review the By-laws
 - There can be no restrictions

Co-op By-laws (con't)

- Director Qualifications
 - Term Limits
 - Good Standing: Best to Define Good Standing
 - Require a Director to be a Shareholder (or Spouse Co-Habiting)
 - Living in the Coop for at Least 3 Years
- Staggered Boards
- How to Fill Vacancies on the Board
- Removal: BCL Provides Only One Method (For Cause, By Shareholders)
 - Consider Defining "Cause"

Co-op By-laws (con't)

- Board Issues
 - Meeting – notice by email (delete telegraph)
 - Quorum can be less than majority (greater must be in the Certificate of Incorporation)
- Code of Ethics/ Confidentiality
- Committees: Check By-laws
- Be Sure There's no Restriction to Attending a Board Meeting by phone

Condominium By-laws

- Scheduling Meetings (Shareholders and Board)
 - Add notice via email
 - Reduce notice period
 - Amendment versus Non-Amendment
 - Increase methods of participation (i.e., zoom, conference call)
- Conducting Meetings (Shareholders and Board)
 - Eliminate agenda
 - Eliminate procedural requirements
 - Presiding requirements
 - Inspectors of election

Condominium By-laws (con't)

- Methods of Determination
 - Decrease unit owner quorum to enable more decisions at meeting
 - Increase ability of Board and unit owners to make decision by written consent in lieu of meeting
 - Permit online voting
- Members of the Board
 - Increase/Decrease eligibility requirements to serve on Board
 - Give Board right to increase/decrease number of board members
 - Stagger elections

Condominium By-laws (con't)

- Insurance
 - Clarify what condo is responsible for covering
 - Require/Modify unit owner insurance requirements
 - Reduce insurance proceeds payable to unit owners to pay liens
- Indemnification
 - Increase scope of indemnity available to Board

Condominium By-laws (con't)

- Casualty
 - Clarify the condominium restore obligation versus unit owner maintenance/repair obligation
- Alterations/Additions Cap
 - Increase cap on cost of improvements that require unit owner approval
 - Carve out exceptions to Cap
- Rights of Access
 - Consider expanding Board authority to access unit

Condominium By-laws (con't)

- Costs and Expenses
 - Increase ability for Board to collect fees from unit owners whether or not legal proceedings are actually brought
 - Give Board Authority to collect interest and late charges for non-payment of common charges
- Selling and Leasing of Units (Generally)
 - Increase time period for Board to respond to request for sale/lease
 - Eliminate short-term rentals/lease of partial units
 - Require minimum lease term
 - Expand ability of Board to reject lease renewal and to void leases

Condominium By-laws (con't)

- Entity Ownership Requirements
 - Add requirement for LLC/Trust owner to enter into occupancy agreement, guaranty, designation of agent and more!
- Rules and Regulations
 - Consider eliminating unit owner right to overrule Board adopted rules and regulations
- Right to Levy Fines
 - Add right to levy and collect fines for violations of any written condominium policy or by-laws (in addition to violations of the rules and regulations)

Condominium By-laws (con't)

- Eliminate/Permit Smoking
 - Consider adopting smoke-free building (including units)
 - Consider phase-in/grandfathering provision
- Eliminate/Permit E-Bikes
 - Consider banning lithium powered mobility devices or consider permitting certain ones
- Make Easier To Combine Units
 - Eliminate Unit Owner Requirement

Save the Date

Co-op & Condo Learning Center

Enforcement Tools for Co-op and Condo Boards

December 10, 2024 | 9:00 – 10 am ET

Access License Agreements: When Your Neighbor Needs Your Roof

February 11, 2025 | 9:00 – 10 am ET

Apartment Alterations, Combinations and Expansions

April 8, 2025 | 9:00 – 10 am ET

Advice for the New (and Old) Board Member

May 20, 2024 | 9:00 – 10 am ET

Contact Us



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