

April 6, 2021

The Honorable Marcia L. Fudge
Secretary
U.S. Department of Housing and Urban Development
451 7th Street, SW
Washington, D.C. 20410

Dear Secretary Fudge,

Congratulations on your recent confirmation to serve as the 18th Secretary of Housing and Urban Development. As leaders, developers, and financers of cooperative housing in communities across the United States, we are eager to work with you to create and promote greater opportunity for accessible, affordable and stable housing through cooperatives.

To accomplish this goal, we strongly urge you to swiftly appoint a Special Assistant for Cooperative Housing as authorized by the National Housing Act (12 USC 1715e). This statute authorizes a Special Assistant and staff to support cooperatives and “eliminate obstacles to the full utilization” of HUD multi-family and cooperative housing programs.

Cooperative housing has helped to create and support enormous opportunity in the last century, particularly in underserved communities. Limited equity housing cooperatives and resident-owned communities in particular feature low barriers to entry and provide stability for resident-owners. As owners, residents have a voice in managing the finances of the cooperative, including managing fees. Cooperatives have a strong track record of resilience against economic downturns, contribute to the long-term growth and financial security of residents and their communities, and help to combat gentrification.

Today, there is an enormous opportunity to expand affordable homeownership through limited equity housing cooperatives and resident owned communities. In New York City, where the largest stock of limited equity housing cooperatives exist, the residents are predominantly people of color, women, and immigrants. Moreover, in urban and rural communities alike, affordable housing cooperatives are an increasingly popular tool to address shortage of workforce housing, where a business may struggle to maintain a capable workforce because of lack of affordable housing in the area. There is also great potential to address affordable housing challenges among other segments of the population including college students and seniors.

Unfortunately, in recent decades, the institutional support for cooperative housing at HUD has declined. We believe that appointing an experienced cooperative housing specialist to serve as Special Assistant for Cooperative Housing is an important first step to rebuilding the support and capacity for co-ops throughout the Department.

We welcome the opportunity to discuss the positive impacts cooperative housing has on individuals, families, and communities, and believe that using your authority to appoint a Special Assistant for Cooperative Housing is critical to helping more people capture the economic potential generated by cooperatives.

Sincerely,

CooperationWorks

Council of New York Cooperatives & Condominiums (CNYC, Inc.)

National Association of Housing Cooperatives

National Cooperative Bank

National Cooperative Business Association CLUSA

ROC USA®

The Urban Homesteading Assistance Board (UHAB)