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A note on the logo: The logo incorporates the twin pines, a cooperative symbol representing mutual cooperation: people helping people. The five trees represent the five different homes in the cooperative.

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INTRODUCTION



“The best of ownership with the best of renting.”

“The best of independence with the best of support.”

“Cooperative housing is a form of home ownership, not a type of building.”

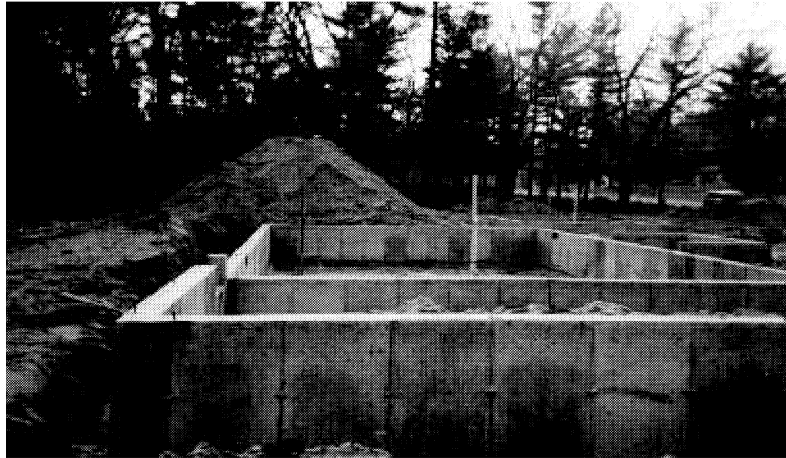
This manual is designed to help people in rural Wisconsin develop housing cooperatives composed of a small number of adjacent single family homes specifically designed for senior citizens. A companion manual, the *Legal Manual for Small Rural Home Cooperatives*, covers governance and the legal structure of the cooperative model in more detail, and includes sample documents.

These manuals refer to and are based on a cooperative housing development that took place in Adams-Friendship, Wisconsin.

The co-op was supported by a State of Wisconsin Homecoming Community Housing Partnership grant, which helped pay for some of the pre-development costs, and by development assistance from the Foundation for Rural Housing. The funding sought to create an alternative for rural residents to moving into a nursing home, a concern for many senior citizens.

The manuals are designed to help others “jump start” their own development process.





Laying the foundation for one of the cooperative homes in Adams-Friendship



Two of the completed cooperative homes in Adams-Friendship





CONCEPT:

COOPERATIVELY OWNED HOMES

As the population of our society ages, the need for housing alternatives for senior citizens is becoming more important than ever. Most people want to stay in their own homes as long as possible. While nursing homes and assisted living facilities provide important care for some, these costly alternatives are not economically viable or desirable for most seniors. Apartments and condominiums may not be available, and they each have positive and negative aspects. This manual describes another housing alternative, one that is especially appropriate for Wisconsin's rural communities: cooperatively owned homes.

There is really nothing new about people moving to smaller homes when they get older. There is nothing new about a "manufactured" or "modular" home, except that in this case the home is "universally designed" to accommodate aging in place. And there is really nothing new about housing cooperatives. This manual presents a model for co-op housing that incorporates small manufactured/modular homes with the cooperative concept and a community-based development process. The process builds upon the multiple talents and connections of Wisconsin's rural residents.

The costs to develop and maintain these homes will vary. Our intent is to illustrate a model that ensures affordability for those on Social Security. For these seniors, a large mortgage payment would be unaffordable.

This scenario assumes that participating seniors have a home to sell, or personal funds to use as equity. There is no assumption of government funding or programs in this approach.

The Adams-Friendship development is a "hybrid" housing cooperative. In a traditional housing cooperative, a cooperative corporation owns all of the land and housing units. Cooperative members own a share in the corporation, which entitles them to live in one of the units.

The cooperative corporation is responsible for repair and improvements of exterior and shared spaces, such as meeting rooms and garages. Responsibility for interior maintenance of the units is often a shared responsibility. The cooperative may maintain the appliances and utilities, and the member may be responsible for improvements like painting and flooring.

In Adams-Friendship, the community's senior residents wanted to "own" their own homes, yet cooperatively share the ownership of the land. This was the structure that evolved, and the sample legal documents reflect this hybrid model. The members own their own homes and are responsible for improvements on their homes. The cooperative corporation owns the land and any shared improvements on the land.

The flexibility of the cooperative concept allowed the members of the Adams-



Friendship Cooperative Homes to develop a model that worked for them. In another community, cooperative members might make the cooperative corporation responsible for all exterior maintenance

on the homes. This would ensure that all homes were equally well-maintained. It would also require estimating the potential costs of this maintenance, and assessing sufficient monthly or annual fees for it in the future.



OVERVIEW of the DEVELOPMENT PROCESS

Developing a senior housing cooperative is similar in some respects to any housing development. It requires careful site selection, accurate financial projections, good contractors, effective marketing, and community support. The chart on the next page describes the basic elements of the development process for large and small senior housing cooperatives.

Marketing / feasibility studies

In small communities, a standard market analysis may not be necessary or effective.

A pre-feasibility market analysis can be conducted fairly quickly, without hiring an outside agency. It will involve defining the market area, collecting demographic data (age, income), and gathering housing data such as housing options currently available to your target population, housing costs, assessed values, and recent sales. The results should provide guidance on the number of units needed in the community and the price range.

A key component in the marketing study is talking to local seniors, even if they are not the individuals who will ultimately live in the co-op. The local citizenry will

provide a better picture of the local “reality” than any amount of data can. Listening to the views of locals will advance the project’s feasibility, especially with small-scale projects, where every person’s input has a great impact. The project will be viable if costs and location reflect local views.

Getting the word out

When talking about the cooperative concept, emphasize that a co-op is not just about a “product”. A home should be more than just a building, and a cooperative can build a supportive, participative lifestyle. Develop a marketing plan that includes several options for getting the word out.

- 1) Ask local residents which publications (like the free shopper) are read by seniors, and which radio stations are most popular. Invite the newspapers to cover the story, and keep them informed on project milestones. Encourage area cooperatives to place articles in their newsletters.
- 2) Make sure that trusted sources of advice to seniors (senior center staff,



Basic elements of the development process

	Small senior housing co-op	Large senior housing co-op
Community population	under 5,000	over 10,000
Homes	4-19 homes	20 or more homes
Facilitators	A local person or group initiates the development process OR a developer (non-profit or for-profit) approaches the community with the concept.	
Concept	Independent "aging in place." The co-ops are developed with strong community support, minimal governmental financial support, and a variety of financial structures.	
Potential members	Seniors (usually defined as over age 55) and/or persons with disabilities. Cost and financing decisions will determine income and equity requirements.	
Who participates in planning	Local aging agency staff, local government officials, staff/board of local cooperatives, local business people, county and township supervisors.	
Development team	Local coordinator/developer Home manufacturers Local contractors Legal counsel Site engineers Local banker Interim co-op board/co-op members	Developer Architect or designer/builder Contractors Legal counsel Site engineers Financier Local marketer or broker
Marketing process	Gather census data Analyze market Word-of-mouth Local meetings/presentations Newspaper articles and photos Sign on the site, with contact information	Gather census data Analyze market Word-of-mouth Local meetings/presentations Newspaper articles and photos Sign on the site, with contact information Advertisements, realtor listings May hire a consultant to conduct a market study
Decisions	Founding members involved in decisions on site, home design, financial structure, costs, membership documents.	Developer makes most decisions on site, home design, financial structure, costs, membership documents.



doctors, ministers, local offices on aging, county and township supervisors, etc.) are well informed about the co-op. Word of mouth is probably the best advertising available.

- 3) Offer to make presentations to groups, and be available to answer questions. Involve supporters of the co-op in the presentations.
- 4) If feasible, invite potential members and supporters to visit a nearby housing cooperative in a fairly similar community. Alternatively, invite a cooperative board member from another community to attend a meeting.
- 5) Be ready to answer questions about other options available to seniors, including rates, income requirements, and waiting lists. Are these options available in the community, or are seniors forced to travel to take advantage of them?
- 6) When answering questions about costs, be certain to reiterate that these are estimates only, and are likely to change. Credibility depends on honesty and facts.

Sample publicity articles are presented in Appendix B. Appendix C includes a market survey and survey results.

Decision making / meetings

Planning for the cooperative will involve a number of meetings, perhaps more than are anticipated at the onset of the project. The series of meetings will probably take several months, and may involve getting together 15–20 times. The content of the

meetings will progress from basic discussions to a high level of detail and complexity. Topics like basements and pets may be discussed at initial meetings, but decisions may not be made until closer to the construction phase, when costs are clearer and a group of committed members is in place. These gatherings will be well worth the time and effort, because members will create the cooperative that they want. And those who are only slightly interested will be winnowed out from those who are truly committed to the long-term project.

Materials distributed at meetings should be updated regularly, clearly dated, and reflect current decisions. This is especially important when distributing packets to potential co-op members. (See Appendix E.)

Meeting topics and the decision-making process

The first few meetings will introduce the concept to potential members. It's a good idea to invite local social service staff and other interested community members so they become familiar with the co-op.

Meetings should be in accessible locations and be well publicized.

- 1) Introduce the basic concepts of aging in place.
 - Universal design.
 - The role of cooperatives in maintaining independent living.
 - Current alternatives for seniors in the community.



- Services available to promote aging in place, such as housekeeping, personal care, transportation services, and visiting nurses.
- 2) Who might want to be involved in the co-op?
 - 3) What locations should be considered?
 - 4) What range of costs and designs is most desirable for the community?
 - 5) What is the process of creating a cooperative? Discuss the general project timeline and explain the basic co-op structure. Introduce the vocabulary of cooperatives, and the cooperative documents.

After several introductory meetings, it will become clear that some people are seriously interested in the cooperative. The next few meetings will focus on these potential members who are starting to make their decision. When new people attend these meetings, it will be important to distribute up-to-date documents about the progress of the cooperative project. See Appendix E for a sample list of such documents.

These documents should include items such as the timeline, preliminary decisions, and project cost estimates. The organization or individuals who are facilitating the development process should designate a person to track, file, and distribute these documents.

- Visit a manufactured/modular home factory or view a video from the manufacturer. This will help potential members visualize their new homes. Visit a cooperative in a similar community, if possible.

- Make preliminary development decisions on issues such as basements, garages, pets, and minimum age for members.
- Discuss project costs
 - Make a preliminary estimate of the cost of the homes, based on an estimate of the site cost, and the preliminary decisions on basements, etc. Meet with individuals to compare that cost with the potential sale price of their existing homes or assets.
 - Determine who will make an option to purchase on the site.
 - Discuss the pre-development budget, and decide how it will be funded. These expenses will include the cost of the option to purchase the land, site improvement costs, and professional fees (legal, engineering).
 - Find out if potential members will need funds to fill the gap between the sale of their current home and the price of the co-op home.
- Discuss site alternatives and the options for funding the land purchase.
- Discuss the cooperative documents. In these meetings, the group will be asked to make decisions on the articles, bylaws, and membership agreements. *The Legal Manual for Small Rural Home Cooperatives* includes a series of questions to use in making these decisions, along with sample documents to guide the process. The documents may need to be modified to reflect the requirements of external funding. An attorney will need



to review the final versions of the documents.

- The discussion on cooperative documents will include information on the role of the board of directors in a co-op. Introduce the concept of using an interim board in the development process, as well as the transition to the final board, which is composed of cooperative members only.
- Review the site plan with the group. Discuss trees and landscaping, utilities, bids for work, and common elements.
- Decide on appliances and insurance providers. Insurance must be purchased prior to site work.
- The group should meet regularly during development planning and construction. They should be updated on progress and any significant issues.
- Prepare the budget for the first year, and set up an accounting system.
- Celebrate move-in day(s).
- Operational/Management meetings should start as soon as members move in. The board will need to approve the first year's budget and collect monthly fees.

Timeline for developing a housing cooperative

Targeted completion dates will vary greatly. This timeline assumes that the co-op will use manufactured/modular homes. The timeline for building conventional homes will obviously be somewhat different.

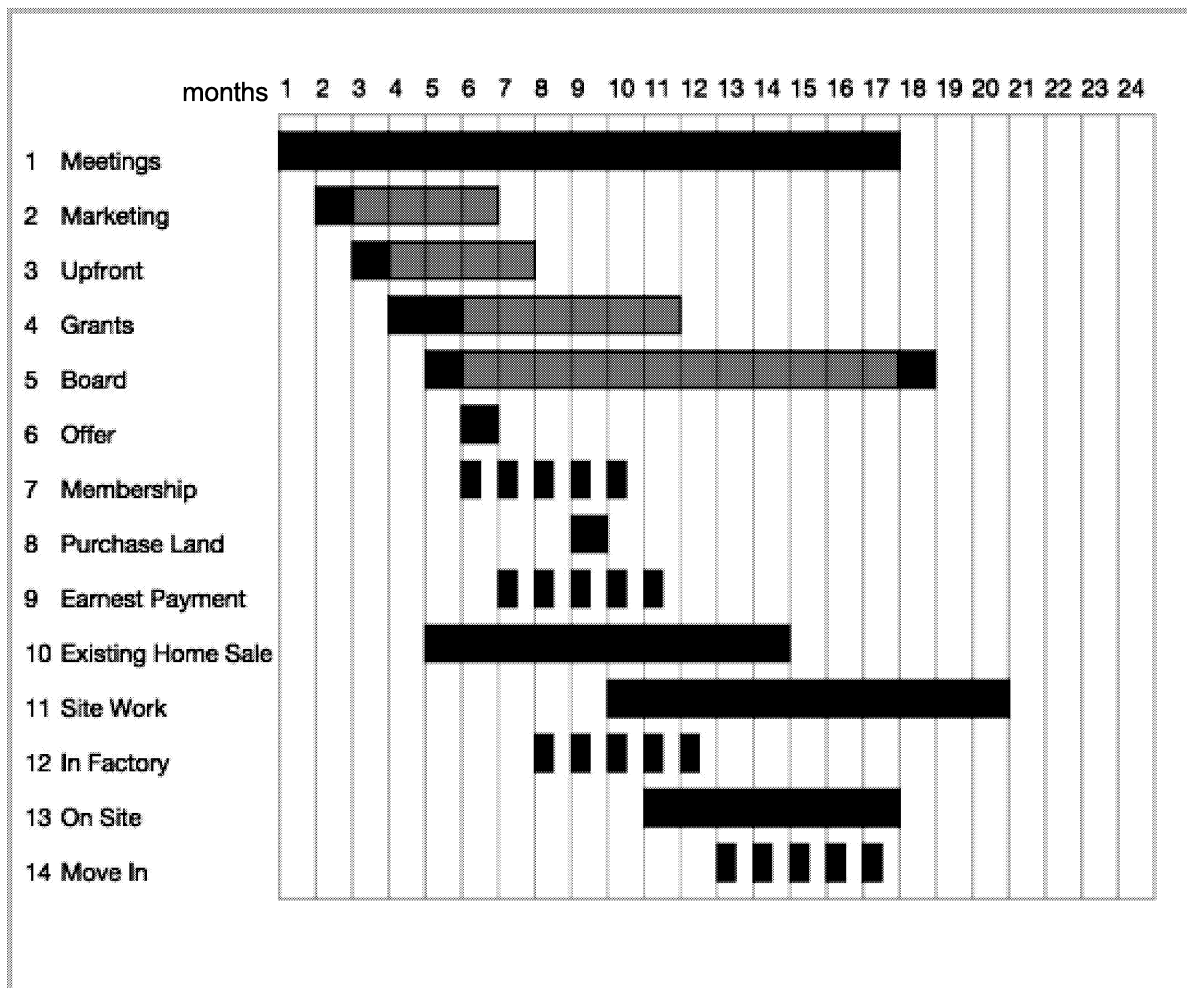
The basic outline of this timeline should be shared with local social service staff and other interested local groups, and should be updated often. Please note that these local stakeholders should be invited to all meetings.

- 1) Hold initial meetings with local stakeholders to discuss the cooperative concept, plan next steps, and identify seniors to contact initially.
- 2) Conduct an initial marketing study to determine the feasibility of the cooperative. Determine the number of pre-sale commitments that will be needed to proceed with the project. Identify a group of seriously interested seniors.
- 3) Determine who will submit the offer of an option to purchase, and who will cover the pre-development ("upfront") costs.
- 4) Identify grant sources and incorporate their application and funding time frame into the project timeline, if necessary.
- 5) Choose an attorney and incorporate the cooperative, using an interim board. Decide who will submit the offer of an option to purchase.



- 6) Identify a site and submit an offer of an option to purchase.
- 7) Seniors make a minimal payment with a letter of intent and join the cooperative.
- 8) Purchase the land.
- 9) Seniors make payments to a manufacturer for a particular home design.
- 10) Seniors put their current home up for sale, if necessary.
- 11) Prepare the request for bids for site work, receive bids, and begin site work.
- 12) Building time in the factory takes about two weeks, but delivery dates vary.
- 13) Homes are delivered to the site and the finish work is completed.
- 14) Move in as homes are completed.

*See below for a graphic representation of this timeline.
Please note: seasonal considerations will affect the site work timeline.*





and the COMMUNITY

Members

The target market for this type of housing is people over 60 who are living on Social Security. These are the people who will be most interested in a relatively small home, with a “universal design” that allows for aging in place. Unless the project uses funding sources with age requirements, each local group can determine their own age criteria. This model could be adapted to develop housing for anyone that wants a universally designed home, regardless of age.

This is not an income-based development, and does not depend on government programs for funding. As such, it avoids the stigma that is sometimes attributed to subsidized housing. If grants are used to reduce costs – such as land purchase – the grants may have income requirements. Seniors who live on Social Security will usually meet these requirements.

We know from an AARP survey that 84% of seniors want to live independently as long as possible. The key to achieving that may be doing repairs or modifications to their current dwellings, or moving earlier to a home specifically designed to support independent living, even when some physical tasks become more difficult.

Just who are the seniors who may be ready to move to a housing cooperative? In Adams-Friendship, interest came from single females, single males, and

couples. The bylaws were drafted so that two persons who are not related or legally married could share a home.

- Age varied from 55 to 80, with most of the interest coming from women and couples in their 70s.
- Most people were living in two-story and/or older homes. Some of them lived on several acres, and some on former farms. The Adams-Friendship community attracts retirees, so a number of people had moved to the area to retire in the “woods.” As they have aged, they are more interested in moving to a small community. Services are nearby so that they can drive less (or perhaps not at all).
- Their physical health varied from good to frail. Some used a walker or had other health challenges.

Many of us do not plan deliberately for the future as we age. In fact, surveys show that only 24% of us have made specific plans for where we will “ultimately” live. An illness, death of a spouse, or an attractive opportunity may speed up the decision-making process. Many seniors must look for more accessible living situations, and ways to reduce living expenses. They may discuss options with their spouse, children, and/or friends before making a decision. Some will seek counsel from a trusted financial advisor, physician, or member of the clergy. Finally, some will seek the advice of a social worker, such as a benefit specialist or staff at a local Office on



Aging or other agency. It's important to be prepared to explain the basic concepts and do a lot of listening. The decision to move is very difficult for most people, especially if they have been in the same home for many years.

Local aging and social service staff

In many communities, the local agency staff will know many of the seniors quite well. They have long-standing, trusted relationships. It's important to get them involved in the initiative right from the beginning, as their support will be important to the project's success. They will often be helpful in identifying people who might be interested in the co-op, since they usually know of situations where a spouse has died, when home maintenance has become a burden, or when a person would benefit from living in town.

Local cooperatives

Local electric, farm supply, or other cooperatives can be a great source of ongoing assistance for the housing cooperative. The first step in gaining their support may involve contacting the manager and asking to present the concept at a board meeting. Some co-op boards will accept a "sponsor" role, which can be defined in various ways. The sponsor may help publicize meetings, cover printing costs, attend planning meetings, offer professional advice, and/or provide a vital

connection with key community residents. Once the cooperative is operating, the co-op sponsor may continue to be available to support the board of directors and offer expertise on a variety of issues, such as accounting.

Community officials and staff

In many small communities, the Village President and/or other elected officials – including support staff – may be willing to offer their time and knowledge. They can assist on site and zoning issues, along with providing word-of-mouth support for the co-op.

Community businesses

A community-based development process should involve supporting local businesses. A realtor may be engaged to secure the co-op site, after community members have helped identify potential properties. Local bankers may provide loans to the cooperative, and members may need "bridge" loans while selling their homes. Local contractors should be invited to submit bids for tree removal, backfill, excavation, driveway, utility trenching, and other site improvements. Appliances should be purchased at nearby businesses, making servicing simpler. Local attorneys or engineers may also be helpful. The goal is to keep the effort very local, with maximum input from the community, prompting maximum economic benefit to the community.



Facilitating the development process

This model does not depend on finding a developer of housing or assisted living from outside the area. However, it is vital that either a person or an organization take the first step to pull together the interested parties. Trust is essential between all involved, including future members. Such trust may already be established through long-term relationships with community members, but open

communication, patience, and consistency are absolutely essential.

This can be challenging, but it's critical, since a community-based development project will inevitably change and evolve as it proceeds through the decision-making process. It's important to take good notes, date revised materials, and make sure that up-to-date information is always available. As mentioned earlier, Appendix E provides a sample list of such documents.



HOME DESIGN

and DEVELOPMENT COSTS

Universal design

The demonstration project in Adams-Friendship used manufactured and modular homes, built on a permanent foundation. They were often smaller than residents' previous dwellings. The founding members were able to choose from and modify two models of two-bedroom homes, depending on their budget and preferences. While the floor plan of the homes did not appear to be a major issue for the seniors, they were most concerned that the homes were single/detached, and that they were not all the same.

Tours are an excellent way to introduce people to a new housing concept. Prospective Adams-Friendship members were offered a tour of two modular housing factories (Pittsville and Terrace Homes), which allowed them to see the quality of construction.

One goal of this demonstration project was to involve home manufacturers in modifying their plans and processes to include elements of universal design. Future home buyers should be able to access the same or similar homes with universal design elements already built-in. Although the universal design modifications ranged from simple to complex, the manufacturers were very willing to make modifications based on the seniors' requests.

Each design element was discussed with potential members and with the manufacturers. It is important to keep in mind that physically mobile people often have trouble imagining future needs. Another under-estimated factor is visual problems, which are actually quite common and can be alleviated through some fairly simple design changes. Preventing glare is the biggest challenge, since very few glare prevention specifications are currently



Universal design elements

Mandatory

Exterior doors have low profile sill (less than ½ “). There should be two options for no-step access/exit.

Exterior front door allows resident to see who is at the door.

Lever-style door handles on interior and exterior doors.

Interior doors are 3 feet wide.

Windows are easily operable casement style (crank).

Rocker panel light switches @ 48” high max (36” best; 42” comfortable)(glow in the dark).

Wall-mounted return air and hot air registers above baseboards.

Hallways are 42” wide.

5’ turning radius or T-turns in all rooms .

Flat tight woven carpet, i.e. not shag or loose rugs.

Structural hardware (grab bars) in bathroom.

Bathroom has taller water closets.

Bathroom has roll-in shower or tub, with handheld shower head.

Kitchen and bath faucets have lever handles.

Reachable tub/shower control 5’ 9”.

Anti-scald water controls.

Optional

Roll-in potential under sinks (may have temporary cupboard doors initially to cover pipes).

Thermostats and humidistats @54” to control.

Refrigerator over freezer.

Switches at front of appliances.

Pantry instead of high shelves and deep cabinets.

Bedroom has connection for emergency call mechanism.

Prevent glare.

Contrasting colors used throughout for visual clues and orientation.

Electric service panel on the first floor.

Electrical outlets @21” to bottom.

Access to furnace, hot water heater water softener (not in basement or crawl space)



Floor plans and specifications

Sample floor plans and specifications are included in Appendix G.

Floor plan considerations

The floor plan itself must be open enough to allow space for a walker or wheelchair. The seniors were shown one- and two-bedroom plans, and they all preferred two-bedroom plans. They understood that the homes could all be different, and that their final design choice would determine the cost.

The initial plans shown to the seniors were 26' x 36', or 936 square feet. For most people, this was smaller than their current homes, and storage space was a particular concern. Two members chose slightly larger designs (26' x 40', or 1,040 square feet). There are several ways in which "small" spaces can be made to seem larger:

- Open floor plan – no full walls between the living room/dining room/kitchen.
- Increased ceiling height. A sloped or cathedral ceiling is more costly, but will make the same floor space feel larger.
- Large windows make the outdoors "come inside," although the extra illumination can cause glare.

Floor coverings

A basic requirement of universal design is to avoid changes in floor levels. Although some seniors may never need a wheel-

chair or a walker, appropriate flooring can make a significant difference in ease of movement and prevention of falls.

Typical flooring materials include wood, carpet, vinyl, and tile. Wood is beautiful but may be expensive. Tile is also attractive, but it is expensive, as well as hard and cold in the winter. Residents often put loose rugs on top of wood and tile; doing so can create a slippery hazard.

Typical flooring is vinyl for the kitchen and bathroom, and carpet for the living room and bedrooms. It's important to minimize the transition between materials, especially between the kitchen and other spaces, where residents would typically be carrying food or drink. It is best to use very low carpet, which comes closest to matching the level of the vinyl. If low profile metal strips are used to cover seams between materials, they should be installed carefully.

Both carpet and vinyl are available in a wide range of costs, quality, and durability. They should be easy to clean and maintain. Carpet should be tightly-woven and low-nap (often referred to as commercial grade). When choosing vinyl, consider potential visual problems. A shiny surface may produce glare, and busy patterns may cause visual confusion.

Energy savings

This demonstration project was committed to creating the most energy efficient homes possible. Both home designs were certified by the Wisconsin Energy Star Homes program.



Specifications for the enclosed heating space:

- Ceiling rated R38 minimum; R40 preferred
- Walls rated R21 minimum; R26 preferred
- Vapor barrier and Tyvek house wrap
- “Low E” glass in windows
- Insulated steel door
- High efficiency (90%) furnace

Depending on the site, placing the garage on the north side of the home will save energy. The south side of the home should have slightly larger windows. Chose window coverings that reduce glare, yet let in light (horizontal blinds, etc.).

Crawl space

If a house has no basement, the most desirable location for the furnace and hot water heater is in a mechanical/utility room on the main level. A mechanical space may be created in a closet with an outside wall for venting, or next to the laundry facilities in a utility room. If this is not feasible, the crawl space should not be vented, and should have a concrete floor and insulated sheathing on all walls and under the concrete. The heating contractor must provide supply and return air to keep this space at a minimum temperature so as to avoid frozen pipes.

Range and bath ventilation

The range hood needs to be vented to the outside. The bath fan should be a quiet “lo-sonic” fan, with a rating of 1.5 or less, and have a cost-effective fan-off, delayed timer.

Mechanical equipment

The furnace should be 90% efficient at minimum. The water heater should be power-assisted because of the potential for unsafe back drafts. As the technology becomes more cost effective, heat pumps and/or thermal energy could be pursued.

Lighting and appliances

About half of the total utility bill in smaller homes is for lighting and appliances. Therefore, appliances should be energy efficient, and lighting fixtures should be selected and placed carefully, using fluorescent or compact fluorescent whenever possible in permanent fixtures. Create a list of approved appliance brands and dealers. Local dealers are preferred, both to support the community and to minimize charges for repairs. Conventional water heaters should have an EF (energy factor) of .58 at minimum. Tankless water heaters save space, and should have an EF rating of .85 at minimum. Washing machines should be water efficient, to save costs on water and water heating.



Manufacturers

The homes in Adams-Friendship were built by Pittsville and Terrace Homes. Both manufacturers were within driving distance, and provided the quality and accessibility needed for aging in place. A list of Wisconsin manufacturers of modular and manufactured homes is included in Appendix A.

Group decisions on construction / design

Some of the decisions on the construction of the cooperative should involve all the members, if possible. The outcome of these decisions will have a significant affect on costs, as well as on the amenities available at the co-op.

Basements or crawl spaces?

A discussion of basements must include the relevant pros and cons. In Adams-Friendship, the pro-basement arguments were:

- 1) More space for furnace and water heater;
- 2) More space for storage;
- 3) A place to go for tornado safety.

The arguments against basements were:

- 1) Stairs can be dangerous or inaccessible;
- 2) Basements provide space to retain too much “stuff;”
- 3) Potential water problems;
- 4) Increased cost.

The primary decision factor in Adams-Friendship was a fear of wet basements, since the water table was high. The group decided against basements. Other housing co-ops may have a mix of basements and crawl spaces.

Shared spaces?

Decisions on shared spaces may prompt lively discussions on the kinds of amenities the group wants and can afford. In Adams-Friendship, the initial site plan showed the garages clustered in a corner of the property instead of being attached to each home as was eventually decided by co-op members..

This design prompted several ideas regarding amenities:

- A shared guest suite (room and bath) could be attached to the garages, and reserved when family or friends came to visit. Although this option might have allowed some members to eliminate the second “guest” bedroom in their home, the trade-off wasn’t attractive enough. A shared guest suite is fairly common in large housing cooperatives, but the cost seemed prohibitive when shared among only five members.
- Shared or private laundry facilities? A room next to the garages could have included two washers and dryers. After discussion, the group in Adams-Friendship decided instead to install washers and dryers in each home. Issues of privacy and inconvenience outweighed potential cost savings.



- A shared place to meet for socializing? This emerged as the most attractive amenity. The group decided to build a screened gazebo to provide a shared “porch” space and a space for socializing.

Costs

Housing discussions inevitably focus on costs. Most of the costs are in the homes themselves, and the land is the second major cost. Potential members will be eager for information, and it is important to share the range of possible costs throughout the development process, so that everyone is informed. Discussions about options and amenities will be much more productive if all concerned are kept up-to-date. At the same time, it is important to recognize privacy concerns when discussing finances.

Home costs

The final cost of the homes depends on the seniors’ choices. In the Adams-Friendship Co-op, residents chose two bedrooms and attached garages; together these two options added about \$16,000. In 2004 prices, the home costs ranged from \$89,000 to \$91,000.

Each senior must determine their budget for their home; this decision should be based in part on the amount they might expect to receive from selling their current home. They should meet with two builders at minimum, and explain what they are looking for, including the universal design elements. They should request estimates (from local dealers who represent the manufacturers, or directly, if the manufac-

turers are local). Finally, they will choose between bids, make some final choices of materials, and sign a contract.

Development costs

These are components of a development budget for cooperative homes:

- Land acquisition
- Engineering (site survey and layout, water, sewer, drainage)
- Insurance
- Site improvements (including site clearing and fill)
- Utilities
- Landscaping
- Organizational costs – legal
- Fees (utility hook-ups or septic/well, building permits)
- Number of units!

In Adams-Friendship, the “Homecoming” grant from the State of Wisconsin significantly reduced costs for the members. It covered pre-development, out-of-pocket costs amounting to about \$7,500, which included about \$1,000 for the site option; \$3,000 for engineering; \$500 for insurance; and \$3,000 for legal costs. The grant also covered some Foundation for Rural Housing staff time, and services from Cooperative Development Services and the University of Wisconsin Center for Cooperatives.

Reducing development costs

Potential members must have sufficient funds to cover monthly costs and the initial equity requirement. This may be a challenging situation. There may be a gap between the sale price of some members’ existing homes and the purchase price of a new co-op home. If there is a



gap, the development team may need to assist members in finding a loan or subsidy.

In Adams-Friendship, a Federal Home Loan Bank grant was secured through a local member bank to fill the gap. These funds must stay within the cooperative, which means that the property will remain affordable for future members, even as real estate prices rise.

Community members may have other ideas for reducing costs. These are a few options to consider:

- 1) Use land which is available at no cost, or very low cost. Seek out donated land, land owned by local government, foreclosed property, or land purchased with Community Development Block Grant (CDBG) funds.
- 2) Invite volunteers to assist with site work such as tree cutting and landscaping. Liability insurance coverage must be in place.
- 3) Utilize grants, such as the Federal Home Loan Bank program, or a “forgivable loan” from a local source, a non-profit, or a foundation.
- 4) Propose that members’ relatives consider holding a “second” mortgage on the property, and make the payments. This assumes that the relatives have income to invest, and that they will eventually inherit the equity.
- 5) Seek out volunteer professional advice. Local cooperatives may be able to cover the costs of advice from attorneys, accountants, and other professionals.

Operating costs

A key component of this housing model is to keep the homes affordable for persons living on a fixed income such as Social Security. In 2004 dollars, Social Security income averaged \$600 to \$1,000 per month. This means that monthly housing costs should not exceed \$200-\$300 per month, since housing costs should not exceed 30 percent of income.

Taxes

In order to keep property taxes as reasonable as possible, it’s important to make sure that the local assessor understands that the assessed value should not increase more than the equity appreciation limitation in the bylaws. In Adams-Friendship, equity could not appreciate more than 1% per year, and copies of the bylaws were given to the local assessor.

Local taxing authorities may be confused with regard to whom to tax. In Adams-Friendship, an attorney obtained six parcel numbers, so that individual tax bills for the homes would go to each of the five members, and one tax bill for the land would go to the cooperative. The occupancy agreements were recorded.

Insurance

The cost of insurance may pose a challenge to those on a limited income, but insurance protects members’ investment in their home and in the cooperative.

In the Adams-Friendship co-op, insurance was more complicated than usual



Estimated monthly housing costs Adams-Friendship Cooperative Homes

Item	Cost Per:	
	Year	Month
Property Tax		
2003 taxes on a \$100,000 home in Adams County	\$2,699	
Homestead Tax Credit	(1,000)	
Total	\$1,699 ÷ 12	\$142
Water & sewer		45
Electric (average)		30
Fuel (average)		40
Cooperative fee		
Insurance		40
Maintenance		30
Reserves		
set aside for future major repairs or special projects		30
TOTAL		\$355

because of the hybrid cooperative model. Nevertheless, complete coverage was secured.

In this hybrid model, the cooperative was the legal entity that purchased the land. The cooperative needed to insure against accidents on the site during the construction process.

When manufactured/modular homes leave the factory, the homeowner is responsible for insuring the home. In this project, the homeowner was also a co-op member, so the cooperative also had liability. A policy had to be in place before the home was moved.

Not all insurance agents will be familiar with cooperatives or with how to cover this type of co-op hybrid. In Adams-Friendship, the co-op members envisioned insuring their homes individually with their regular insurance company. However, since they had an occupancy agreement, rather than title to the land, they decided to have the cooperative contract for all insurance.

Members paid their share of the entire cost of the first year coverage. In subsequent years, insurance costs will be part of their monthly fee.





LOCATION CHOICES

and SITE DEVELOPMENT

Many factors go into selecting a location for housing. Most important, local people must see it as desirable and convenient. Cost, zoning, and access to utilities are also important factors.

Convenient amenities

The ideal location will allow residents to walk or “golf cart” to the grocery store, churches, and the community center, where activities and meals are available. A location that promotes mobility will allow seniors to remain active in the community longer.

Local residents are a good source of information on desirable sites. They may be aware of sites not currently on the market but which may become available. Village officials may be very helpful in this process. The local government may own property, or have an interest in developing a particular site.

Zoning

Residential zoning categories include “R1” which allows only single-family homes, or “R3” which generally allows for multi-family units. An informal discussion with the local Planning Committee and Village Attorney may point to the need for rezoning.

In Adams-Friendship, it was challenging to determine the correct zoning. Although single-family homes were going to be built on the property, the cooperative

owned the land as a whole. The village Planning Committee considered using a PUD (Planned Unit Development) specifically for this unusual combination of single family homes on multi-unit property, but the final decision was made to rezone several blocks from “R1” to “R3”.

Site plans

The site design plays an important role in creating a sense of community. Placement of the homes, driveways, and shared amenities all contribute to a feeling of neighborliness and group identity. Building a loop or cul-de-sac road internal to the site allows for clustering of the homes, which should be placed reasonably close together. They can be staggered on the site, so that windows aren’t directly across from other windows. The site plan for Adams-Friendship Cooperative Homes is on the next page..

Shared spaces

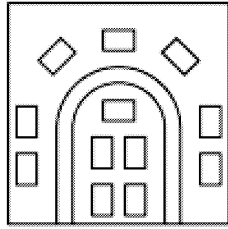
Another way to foster a sense of community is to incorporate shared spaces into the site plan. These common elements can include:

- Mailboxes – make sure they are placed to maximize accessibility and allow for a nearby gathering space.
- Flowers and/or vegetable gardens
- Screened gazebo
- Outdoor seating and/or a grill area
- Common laundry area
- Greenhouse
- Shared garages, guest rooms, social rooms

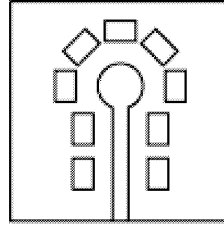


Site Designs

Loop design



The size and width of the loop can be modified, depending on the shape of the land parcel.



Cul-de-sac design

This design works well on a square parcel of land, especially when it is at the end of a community street.

Site plan: Adams-Friendship Cooperative Homes



Option to Purchase

The option to purchase a site should be written carefully to accommodate the process prior to actually purchasing the land. A realtor will be able assist with preparing this document. Most options will include:

- price
- right of the optioner (if not the co-op) to pass on to the co-op any optioning rights
- date by which the option must be exercised
- benchmarks that the cooperative will need to meet, such as receiving a commitment from a particular number of cooperative members.

The option to purchase can be submitted by any organization on behalf of the cooperative, which will make the offer. A local sponsor, such as the Electric Cooperative, may submit the option, provided the agreement includes the right of the optioner to pass on optioning rights to the co-op.

Alternatively, if a group of local community members chooses to file the cooperative's incorporation papers on behalf of the future residents, the new cooperative may make the offer.

Permits and addresses

Appendix F details the steps that the Village of Friendship uses for their building permit process. This process will vary in other communities. Since the coop-

erative owns the land, the cooperative will submit the survey, along with the site plan showing the home locations. The "final" site plan may need to be approved by the village even after a zoning review and approval.

In order to issue a building permit, the village will need official addresses. In Adams-Friendship, the cooperative homes were assigned street addresses of 402A, 402B, 402C, 402D, and 402E, instead of five different numbers. This issue needs to be coordinated between the Post Office and the village.

The construction of the cooperative is similar to other single-family home developments. The homes need not be built at the same time. A building permit is required for each home. In order to obtain the permit, each home builder/manufacturer needs to submit floor plans and home elevations, and must stake out corners. This process will be delayed if the cooperative has not recorded the certified survey map.

A person from the cooperative board should coordinate closely with local officials and staff to verify that each step is completed as necessary. This will allow construction to proceed smoothly. For example, the contractor hired to clear the site and complete the trenching for water and sewer lines must obtain approvals for the "locations of laterals" from the village (or whoever the village contracts as engineer or public works staff). If septic systems and private wells are involved, other permits will be required from County Zoning or Sanitation.

Because manufactured homes are inspected at the factory, they are subject to



fewer on-site inspections than conventional homes. It is important to make sure that the manufacturers pay the fees necessary to obtain individual home permits.

The last critical permitting step is to receive an “occupancy permit” from the village. This confirms that the water/ sewer is hooked up and that the home structure is ready for human occupancy.

Utilities

In rural areas, access to utilities and other services will vary depending on the location. Variations may include:

- Water: Village water hook-up and lateral or private well. If a private well is necessary, up to nine homes may connect to one large well.
- Sewer: Village sewer hook-up and lateral, or a private septic system. One septic system can serve a cluster of homes.
- Electricity: There is usually only one choice of provider.
- Heat: Village natural gas service or self-owned LP/ oil tanks/ solar panels.
- Telephone: There may be several choices of providers of land lines and cell-phone service.
- Television: Antenna / Cable / Satellite.
- Internet : There may be several local providers.

Site work

Site improvements can begin as soon as the cooperative owns the property. In Adams-Friendship, site improvement costs included tree removal and the addition of significant amounts of “fill”.

Many seniors particularly liked the site because it was wooded. However, many trees had to be cut down in order to place the homes on the site. The County Forester identified additional trees and shrubs as invasive, and they were removed also. When the interim cooperative board interviewed contractors for the work, they asked about possibly selling some of the trees to help pay for their removal. Unfortunately, there was no market for these trees, so the co-op had to pay the full cost for tree removal.

The cost of “fill” materials was higher than anticipated. It may be difficult to anticipate accurately the need for “fill,” even on a seemingly flat site. Nevertheless, it is a necessary cost. Appropriate landscaping is as critical to accessibility as the universal design of the homes.

The site preparation and the delivery of the homes must be coordinated very carefully. The manufacturers used in Adams-Friendship built the homes in the factory in only two weeks, but delivery dates had to be scheduled further out. Site preparation will likely be a lengthy process, so scheduling is very important. The project should use local labor whenever possible for the foundation work, garages, pavement preparation, and finishing (black top, concrete).



Accessible landscaping

Landscaping options should be discussed with the cooperative members so that they can make decisions about their jointly-owned land. The landscaping plan can lead to very intense discussions, and it is important to get everyone involved. The concept of “accessible landscaping” is fairly new, so members will need information about the benefits as they make decisions.

A first landscaping step will be to level the site near the homes, so that no steps or ramps are required for entrance. Decisions on trees, plants and other landscaping features will depend on existing trees, on the area’s soil type, and on exposure to the sun. Some of the cooperative members may be experienced gardeners. Their expertise will contribute much to this process. Residents may be interested in growing vegetables, raising flowers, using native plants, or nurturing a small stand of pines. Ideally, the site can be designed to be accessible and to accommodate the interests of all residents.

Depending on the expanse of land, paths and/or sidewalks may be desirable. Generally, the path width should be 30” to 48” wide, and made of smooth materials such as concrete or asphalt, rather than

gravel or wood chips. Professionally constructed paths of stone or brick are possible. If the paths are made from wood, they must be carefully installed using preserved lumber, with no large gaps between boards.

“Raised bed gardening” is a phrase used to describe any technique that brings the growing bed up from normal ground level. This makes it easier for gardeners who have trouble bending over to tend traditional garden plots. Raised beds allow gardeners to cultivate the beds from a wheelchair or garden chair. They can be established in various ways. They can be built as boxes and filled with soil, or a grouping of large pots around a bench may suffice.

Garden “boxes” may be built from railroad ties, nontoxic preserved lumber, bricks, or concrete blocks. It is important that such boxes be no wider than four feet so as to be easy to reach over and move around. Box height may vary from ten inches to three feet.

Water elements may be desirable in a landscaping plan, but they must be managed carefully to eliminate the possibility of establishing a breeding area for mosquitoes. A rain garden is one way to provide drainage. Fish in a small pond will control mosquitoes, but the fish must be cared for indoors in colder months.





OCCUPANCY

After they have become members and have moved into their new homes, members will assume responsibility for the cooperative. If a temporary board was established during the development process, it will turn over its responsibilities to a board elected from the co-op membership. This is done at an annual meeting, which should take place soon after the move-in date(s). Small co-ops may have all members serving on the board.

The cooperative's activities are based on a set of legal documents. They are reviewed in the companion manual, *Legal Manual for Small Rural Cooperative Homes*. These documents include the

bylaws and occupancy agreements—which outline the co-op's governance structure and the rights and responsibilities of cooperative members.

Annual Budget

Sound business practices must be followed if the cooperative is to succeed. An annual budget must be created, monitored, and modified if necessary.

The table below details the annual budget for Adams-Friendship Cooperative Homes, adopted in January 2005.

Estimated Annual Cooperative Expenses Adams-Friendship Cooperative Homes

Description	Total cost	Annual cost	Monthly cost
	(A)	per unit (B)	per unit (C)
		(A÷5)	(B÷12)
Insurance per year includes homes & liability	\$2,375	\$475	\$40
Lawn care	1,000	200	17
Plowing/shoveling snow	750	150	13
Maintenance reserve	1,000	200	17
Special projects	500	100	8
TOTALS	\$5,625	\$1,125	\$95





A SENSE of COMMUNITY

In a small cooperative, all members will probably be involved in major decisions. The cooperative will need to hold an annual meeting and regular board meetings. Members may decide to add amenities or services to the cooperative, and may hold social events. These decisions should be made by consensus, if at all possible.

Communication is important, and documents must be maintained so that each member has a clear understanding of the cooperative's decision-making process

and transactions. This will be especially important when homes change ownership, and new members need to be informed about the cooperative's structure and costs.

Cooperative living requires some responsibilities, but it also encourages a sense of community and neighborliness. The Cooperative Development Foundation sponsored a survey of senior cooperative housing residents in 2001, and they gathered these comments on life in a co-op:

“It's good seeing people socialize. It is great security knowing someone is close by.”

“Everyone who lives here thinks it's the greatest thing in the world.”

“People like having a say in what happens.”

“If you want to be uncommitted, renting is wiser.”

“If someone is missing at morning coffee, someone else checks on them.”

“Remember, you're building a community – it's not just housing.”





APPENDIX A

Wisconsin manufacturers of homes

Liberty Homes
P.O Box 228
Dorchester, WI 54425-0228
Phone: (715) 654-5021
Fax: (715) 654-6161
Contact: Dan Fitzgerald
Website: libertyhomesinc.com
Email: libertyhomes@tds.net

Pittsville Homes
P.O Box C
Pittsville, WI 54466
Phone: (715) 884-2511
Toll: 1(877)248-8371
Website: www.pittsvillehomes.com

Skyline Corporation
P.O Box 590
Lancaster, WI 53813-0590
Phone: (608) 723-4171
Fax: (608) 723-4179
Contact: Jerry Ernst
Website: skylinecorp.com
Email: Lancaster@skylinehomes.com

Terrace Homes
1553 11th Drive
Friendship, WI 53934-9774
Phone: (608) 339-3303
Fax: (608) 339-3581

Wick Building Systems/Marshfield
Homes
P.O Box 530
Marshfield, WI 54449-0530
Phone: (715) 387-255
Fax: (715) 387-2931
Contact: Butch Berg
Website: wickmarshfield.com
Email: butch.berg@wick-mail.com

Wisconsin Homes
P.O Box 250
Marshfield, WI 54449-0250
Phone: (715) 384-2161
Fax: (715) 387-3627
Contact: Lamont Nienast
Website: wisconsinhomesinc.com
Email: rlydn@wisconsinhomesinc.com







APPENDIX B

Publicity examples

Adams County Times

Official newspaper for the City of Adams

All news articles appeared in the Adams County Times and are reprinted with permission.

Author submitted. Section B, Page 12.
Feb. 19, 2003.

There is no place like home

According to several surveys, most seniors/elderly want to stay in their homes as long as possible. Adams County has several ways to assist seniors to stay in their homes, including meals-on-wheels, the Volunteer Senior Home Repair Program (VSHRP), just to name a

few. Some seniors living in larger older homes may want to move to a one story comfortable home in town. A new program will show how this is possible and affordable on Social Security. The Foundation for Rural Housing, Inc., which initiated the VSHRP

is also initiating this with close coordination locally. The basic idea is to have Terrace Homes build four or more homes, which are small and meet universal design standards. That means a grab bar in the bathroom, etc., to prevent falls and accommodate the senior to "age in place."

The four individual homes would be clustered on a piece of land owned as a cooperative. This brings the advantage of sharing expenses for mowing and shoveling, etc.

The details have yet to be worked out because Rural Housing wants the interested seniors to have choices in both aspects of the home and future decisions. This combination should be the best of both worlds - Independence and support.

Please contact Carol Johnson at the Adams County Aging Department at 150 West State Street in Adams to pick up a packet of information or call 339-4251. You can also call Char Thompson at Rural Housing at 1-888-400-5974 for more information and arrange a visit to discuss this further.



Homeowners co-op will help seniors, disabled with housing

by Renee Stevens

As people age, or suffer disabilities, it's difficult to think about losing the privacy and independence of homeownership. But it's often equally as difficult for the elderly and disabled to keep up with the maintenance of a single-family home. It can be a heartbreaking decision to put the home up for sale and move into an apartment or nursing care facility.

With this dilemma in mind, Char Thompson of Rural Housing, Inc., Madison, wrote for a grant that will help coordinate a single-family home cooperative in Adams County. The co-op is tentatively planned for a vacant parcel of land on the east side of Quincy St. in Friendship. It will include five to six houses on a shared lot.

Buyers will work with area builders to design a quality-built home that meets their accessibility needs. Members of the co-op will pay a monthly fee that will be used for services such as lawn care, snow removal and other maintenance. Each house-

hold gets a vote in all decisions that affect the cooperative.

Plans also include garages, storage and laundry facilities, a gazebo, beautiful landscaping and even the possibility of a guest house that visitors can use.

Location of the co-op is ideal for residents — within walking distance to shopping, doctor's clinics and other community services. Cost of the homes will depend on the personal choices and needs of the purchasers, but will still be affordable, and less expensive than building a home on an individual lot. Homeowners will be responsible for the portion of property taxes relating to their home, but the co-

op as a whole will pay the real estate portion of the property tax bill.

This housing project is a unique opportunity for elderly or disabled persons to enjoy the independence of owning their own homes, yet the comfort of knowing that they won't have to deal with the maintenance headaches that come along with home ownership. Neighbors can come together to visit and help each other out so that no one has to be alone.

The Adams County Aging Department is working with Thompson to help get the pro-

Please see Housing on 8A

ject going. Aging Department Director Carol Johnson and Thompson will hold an informational meeting on Tuesday, May 19, at 1:30 p.m. at the Adams County Aging Department, 150 W. State St. in Adams.

There has been some interest in the co-op already, so don't miss this important meeting if this project sounds right for your housing needs. If you can't attend the meeting, you can call the Aging Department at 339-4251 for more information.



Plans turning into an exciting reality

President Harvey Wagner is pleased that the Grand Marsh State Bank has been able to bring Federal Home Loan Bank of Chicago funds to Adams-Friendship. These funds purchased land on Quincy Street (two blocks from the new Community Center) on Wednesday, July 28.

Adams-Friendship Cooperative is now incorporated. Currently interested persons over 55 can meet, finalize the cooperative documents and choose the details of their new homes.

Persons then can "age in

place" with elements that are called universal design, such as no steps. The first two homes will be built by Terrace Homes. Jan Halbur said if more than one home is built at a time, a discount will be available. The total of five homes are anticipated.

Those living there will cooperatively make the decisions to hire snowplowing, mowing and other services they want in the future.

For additional information, call Carol Johnson or Jill Helgeson at (608) 339-4251 or Char Thompson at 1-888-400-5974.



Land was purchased on July 28 by the Adams-Friendship Cooperative. Harvey Wagner, left, President Grand Marsh State Bank, and Carol Johnson, center, Director Department of Aging, present a check to Adolf Pavelec, right, Pavelec Realty, for the purchase of the land. --SUBMITTED PHOTO



Cooperative housing project receives grant

By David Kennedy
On June 16, a steering committee concerned with developing the Cooperative Housing Project proposed for Quincy Avenue in Friendship met at the Senior Center in Adams to announce that they will receive a grant for this project. This means that they can begin to expedite purchasing of the property and start the building of five houses.

The steering committee included Chair Thompson, executive director of Rural Housing, Inc., of Madison; Carol Johnson, director of Aging of Adams County; Chuck Spargo, Elaine Lavally, and Jill Halgerson.

The grant the Grand Marsh State Bank had applied for will be worth \$144,250. While each of the five houses is estimated to cost about \$30,000, the grant can reduce the price to about \$90,000.

This cooperative housing project got off the ground last August when Chair Thompson, executive director of Rural Housing, addressed the Friendship Village Board following the plan commission's positive recommendations for the layout plan that MSA had prepared for her.

The village board agreed to schedule a public hearing to consider changing a section of the village in the Quincy Avenue area from R-1 to R-3 which would permit building of multiple housing units. The board also agreed to accept the concept of a cooperative housing plan for Quincy Avenue. In addition, Village Attorney Dennis McFarlin recommended that a four-foot variance be

requested to be assured that all five of the houses would fit legally on the property.

The layout includes five houses on three lots. They will all face Quincy Avenue, and each one could have an attached garage. The houses will be approximately 26 feet by 36 feet.

These houses will be part of a cooperative property whereby the occupants will own their home, but the cooperative will own the land and take care of outside maintenance.

This type of cooperative is for seniors and aged folk who can still take care of themselves, except for maybe some assisted living arrangements. It provides them with an independent lifestyle in a single-family home, but without having to call a nurse and shovel snow.

The committee will meet again on June 30 at the Adams-Columbia Electric Cooperative to begin working on their Articles of Incorporation, by-laws and selection of directors and officers. They will also attempt to coin a name for the cooperative. The name might include several words such as Cooperative, Friendship, Adams, Harrows and Housing.

Currently, applications for these five cooperative houses are being distributed. Two people have already expressed an interest in these houses. Senior citizens are encouraged to inquire about the program, prices, details and availability of these five houses. For more information, you can call (608) 338-4251 and ask for Carol Johnson and/or Jill Halgerson.



Steering committee for the Cooperative Housing Project include, L-R, Chuck Spargo, Carol Johnson, Chair Thompson, Elaine Lavally and Jill Halgerson. (Photo by David Kennedy)

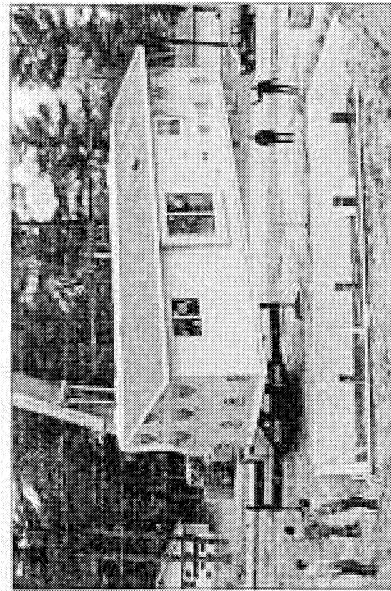


Cooperative housing project began Nov. 2

by David Kennedy
 The five Cooperative Homes for Seniors project took its first major step on Nov. 2 when the first house was delivered from Pittsville.

Future Site Of
5 COOPERATIVE HOMES FOR SENIORS
 608-3339-4251
 608-3339-5401

This sign identifies the site of five cooperative homes for seniors on Quincy Street in Friendship. —DAVID KENNEDY



A large crane lifts the back half of the Townsend house off of the semi and gradually swings it around and onto the back half of the foundation. —DAVID KENNEDY

Hansen and laid on the foundation in Friendship.

The first house was purchased by Pat Townsend of Grand Marsh. She worked closely with John and Carol Havel, of Havel Construction, to design the interior layout as she perceived it.

Prior to this date, Reddible Concrete Construction had poured the foundation and floored the interior with 4 x 8 foot sheets of pink insulation. After the house is finally secured to the foundation, a cement floor can be poured into the crawl space below the house; it's not deep enough to be classified as a basement.

It was on a Tuesday, eight around noon, that two semi-trailers drove onto Quincy Street in Friendship, each loaded with one-half of the Townsend house. With the help of a crane, the pieces were placed on the house's foundation. Except for finishing up work, it was finally beginning to look like Pat Townsend's new house.

This project got its start in August of 2003 when Char Thompson, executive director of Rural Housing in Madison, addressed the Friendship Village Board, after hearing the Plan Commission's recommendations regarding the Rural Housing Layout Plan that MSA had prepared for her.

The layout includes five houses on three lots, all located west on Quincy Street, and each one can have an attached garage. Houses will be approximately 26 feet by 36 feet. These houses would be part of a cooperative property whereby the occupants would own their home, but the cooperative would own the land and take care of outside maintenance.

This type of cooperative is for seniors and aged folk who can still take care of themselves, except for maybe some assisted living arrangements. It provides them with an independent lifestyle in a single-family

home, but without having to cut grass and shovel snow. A second house for this site has also been purchased. Terrace Homes started the construction about Nov. 9 with installation scheduled for Nov. 18.







APPENDIX C

Preliminary market survey and survey results

Preliminary market survey

Used for Adams-Friendship Cooperative Homes

(Created by Mary Myers, Cooperative Development Services)

- I. Parameters of Project
 - A. Define population to be served.
 - a) age (minimum? 65?),
 - b) income bracket,
 - c) homeowner or renter, etc.
 - B. Define market area to be served.

From how large a geographic area will the senior co-op draw?
- II. Demographics of Population Served
 - A. Age
 - i) Percent of population over age “x”
(x= whatever age is chosen as the target population.)
 - ii) Growth of population
What percent will be over that age in 5 years? In 10 years?
Other population growth figures.
Example: growth of young families needing single family homes, etc.
 - B. Financial Information
 - i) Percent of senior population that is low income
(define low income.)
 - ii) What percent own their own home?
 - C. Services
 - i) What level of assistance do they want now?
 - ii) What services will they want? In 5 years? In 10 years?
- III. Survey of Local Professionals
 - A. Informal Survey
 - (i) Talk to realtors, bankers, chamber of commerce, economic development people, UW Extension agents, other local leaders, housing industry people (Wisconsin Housing Alliance), etc. This informal survey may be modified to match respondents’ level of knowledge.
 - (ii) 5-6 interviews should be sufficient for a preliminary market study such as this.
 - (iii) Questions may include:
 - What are the trends in the housing market in Friendship/Adams County?
 - What factors are affecting the housing market?
 - What migration patterns are evident?Examples: retirees from nearby coming in, young people moving out of the area, etc.



- How do you expect these to change in the next 5-10 years?
 - Are there different market segments in the county with different housing needs?
 - If so, what are they?
 - What trends in housing prices have emerged during the last 10 years?
 - What housing trends do you expect in the area in the next 5-10 years?
 - What percent of buyers and sellers are over 65?
- B. What existing housing developments are in the area already that serve the same population?
Are they CBRF? Condos? Apartments?
- What are their strengths and weaknesses compared to our proposed project?
 - What are their vacancy rates?



Preliminary market survey results

Used for Adams-Friendship Cooperative Homes

(Compiled by Mary Myers, Cooperative Development Services)

I. Parameters of Project

A. Population to be served:

- The proposed project will be a five unit cluster of single family homes geared toward seniors ages 62 and above. These individuals currently own homes and have done so for a number of years. They are now ready to move into a maintenance-free home in which they can age in place, located close to grocery shopping, health care facilities, and other conveniences.
- This population has limited income (usually limited to Social Security) but own assets in the form of a debt-free home which may be liquidated in order to purchase a unit in the proposed senior housing cooperative.

B. Market area to be served:

- The cooperative homes will draw from a geographic area of Adams County and maybe surrounding counties.
- Demographics of Population to be Served (statistics from U.S. Census Bureau)
- Adams County is growing quickly: it experienced a growth rate of nearly 19% between 2000 and 2002.
- It has the second highest percentage of seniors of any county in the state of Wisconsin. More than 25% of the population of Adams County is age 62 or over, and 21% are over age 65 (the state average is 15%).
- Although 85% of households in Adams County are homeowners, the median price for a home is only \$83,600; nearly \$20,000 below the state average of \$112,200
- Nearly 60% of all houses in Adams County are valued at \$50,000 or less.
- Adams County's per capita income of \$17,777 is well below the state average of \$21,271. Over 10% of the county's population lives in poverty, also above the state average.

III. Survey of Local Professionals

- Informal surveys of local leaders to explore the trends in housing and the needs of seniors.
- Interviewees included members of the local Chamber of Commerce, bankers, and realtors.



- A. Trends in the housing market in Friendship/Adams County include the following:
- The area's natural beauty draws people to the county: when they retire their second home in Adams County becomes their primary home.
 - The population is growing increasingly older and these seniors want less maintenance at home but want to age in their chosen community.
 - Older homes increasingly need work but the seniors who own them have neither the physical ability to do the work nor the funds to pay for these services.
 - At the same time, there is a shortage of affordable homes for younger, middle income families.
- B. These trends are expected to increase in the next 5-10 years. Housing prices will rise as more people move from the cities to rural areas to escape the crowds.
- Realtors believe that seniors prefer their own homes rather than living in an apartment or condominium.





APPENDIX D

Questions to consider when making the decision to move

- 1) Do I want or need to move from my present living situation?
- 2) Do I want to live at the proposed location?
- 3) How much can I afford?
 - a. If I own a home, what do I think my current home is worth?
 - b. How much am I willing to pay for a new home?
 - c. What can I pay per month for all housing costs?
 - d. What are my current monthly housing costs (utilities, property taxes, maintenance, mortgage payments, rent, etc.)
- 4) What are the critical features of a new home?
 - a. Universal design – accessibility features
 - b. One or two bedrooms
 - c. Bath tub and/or shower
 - d. Ease of maintenance
 - e. Someone else responsible for shoveling and mowing
 - f. Type and quality of siding and roofing materials
 - g. Type and quality of countertops, flooring, appliances
 - h. Keeping my pet with me
- 5) What other items are desirable?
 - a. Garage and/or storage
 - b. Air conditioning
 - c. Formal dining room
 - d. Second bathroom or “half bath”
 - e. Pantry
 - f. Yard for pet
 - g. Basement or crawl space
- 6) What am I looking for in terms of community?
 - a. A small group of friends who will watch out for each other?
 - b. A sense of community activity combined with privacy?
- 7) What are my goals when choosing a location?
 - a. A location where it’s easy to get to the grocery store, community center, etc.
 - b. Access to health services and in-home care if needed.



- 8) What are my financial and legal concerns?
 - a. Will it be easy to sell my cooperative home?
 - b. Can I keep my assets protected from the “draw down” requirements of some medical programs?
 - c. Will the return on my housing investment be equal to other possible investments?
 - d. What is the structure of the cooperative? What is the impact of the documents that will “govern” my home?
 - 1) Articles of Incorporation
 - 2) Membership Certificate
 - 3) Occupancy Agreement
 - 4) Bylaws
 - 5) House rules
- 9) When will the development be completed?
- 10) What is the deadline for making a decision?
- 11) What payment will I need to make to show serious interest in the cooperative?





APPENDIX E

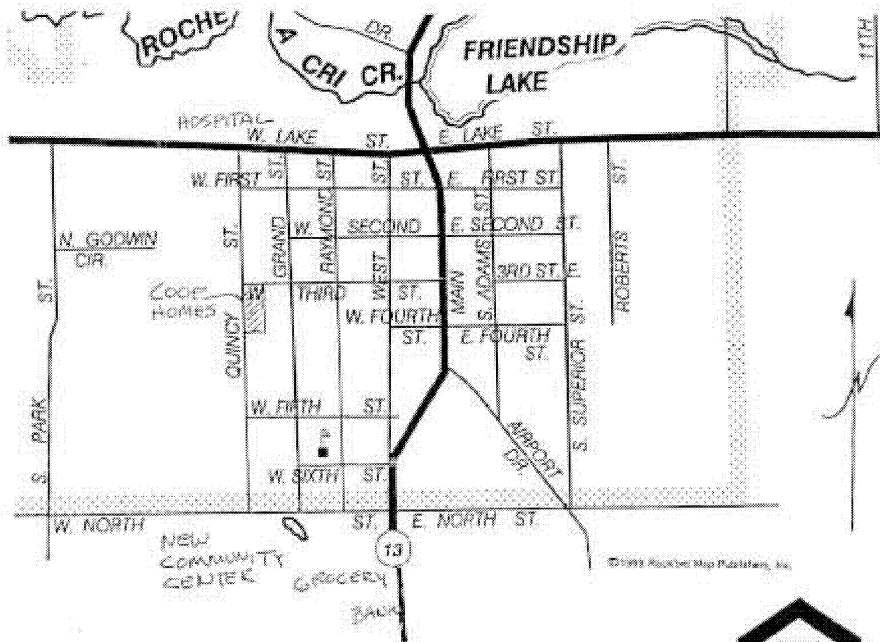
Information packet contents

FRIENDSHIP COOPERATIVE HOMES

- tentative name

Information AS OF 6/29/04

Cooperative	1
Element of Universal Design	6
Terrace Homes	7
Pittsville Homes	12
Common Costs	15
Expected Costs	16
Operating Costs	18
Possible Timeline	20
Contacts	21







APPENDIX F

Permitting process

Village of Friendship BUILDING PERMIT PROCEDURES

A. The Property Owner Shall:

1. Direct that a registered surveyor shall stake out the corners of the lot.
2. If the subject parcel is not a lot within an existing plat of survey then the property owner shall:
 - (a) File a copy of the Certified Survey Map with the County Register of Deeds. No building permit shall be issued and no improvements shall be made until the certified survey map is recorded.
 - (b) Submit three (3) copies of the recorded certified survey map to the Village Clerk.
3. Submit three (3) copies of the building location on the lot (drawn to scale with building dimensions) to the Village Clerk.
4. Submit three (3) copies of the building floor and elevation plans to the Village Clerk.
5. Direct that the builder will stake out all corners of the proposed building(s) on the lot.

Date Completed

Clerk Signature

B. The Village Engineer or Public Works Director Shall:

1. Check the setback on all sides of the building.
2. Designate the location of the sewer and water service to the lot line.

Date Completed

Engineer Signature

C. The Village Board Shall:

1. Review all documents.
2. The Village Board shall approve or disapprove the plans. If the Village Board approves the plans, a written notice will be forwarded to the Building Inspector.

Date Completed

President Signature



D. The Building Inspector Shall:

1. Inform the Builder/Owner of the Wisconsin Uniform Dwelling Code (UDC).
2. Issue all the necessary (UDC) permits.
3. The UDC inspector shall review the plans, perform inspections, request from the permit applicant the necessary information to perform these duties, request corrective action and collect fees to perform the required functions.
4. Certify that the building is approved for occupancy and certify same to the Village Clerk.

Date Completed

Building Inspector

E. The Village Clerk Shall:

1. Verify that all improvements have been completed, as indicated by inspection reports.
2. If the structure is intended for human occupancy, that all water and sewer hook-ups have been completed.
3. Issue an occupancy permit upon completion of all requirements herein.

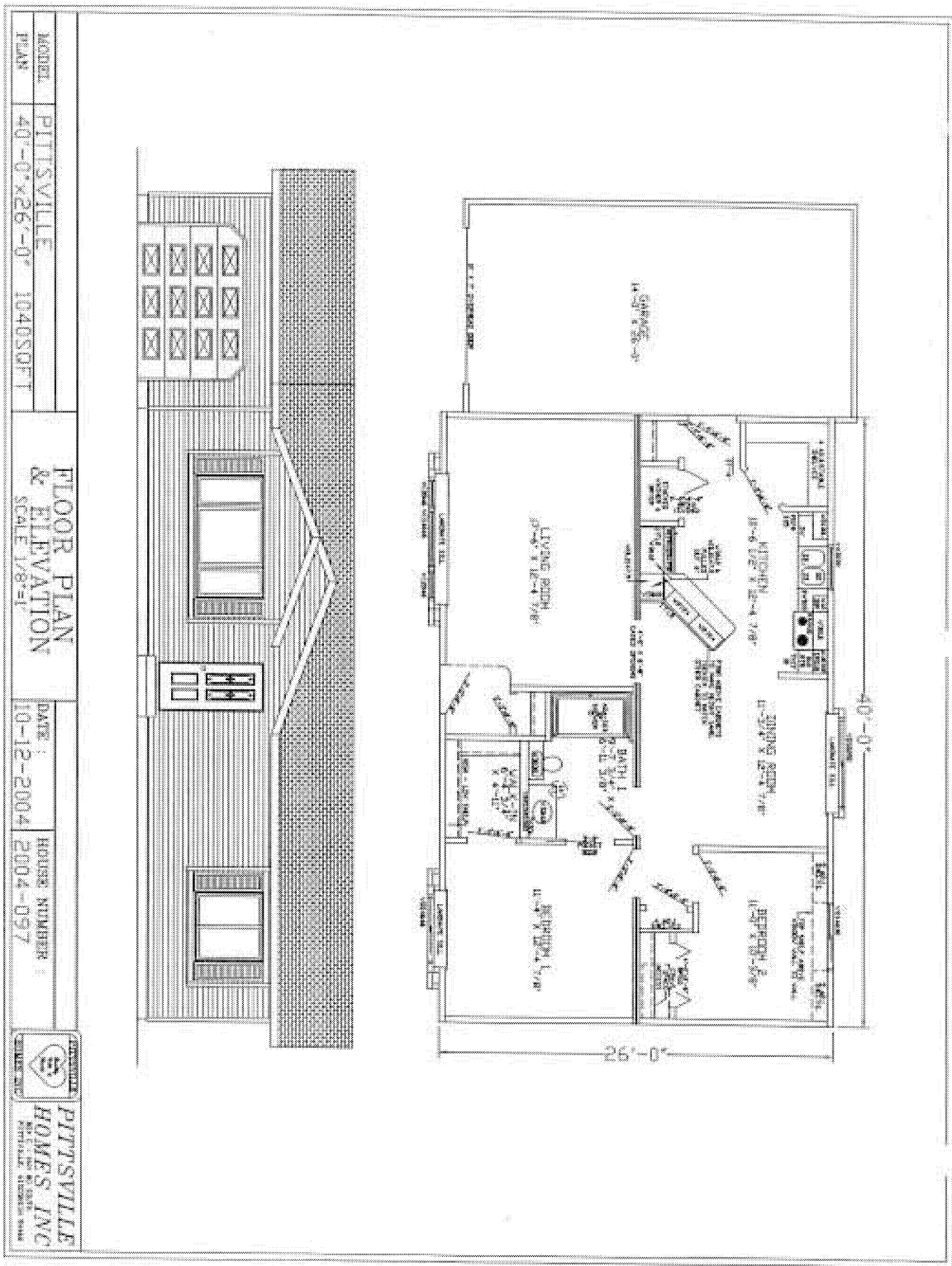
Date Completed

Village Clerk

Fiscal Note:

The Village of Friendship will charge one hundred dollars (\$100.00), to perform items B, C and E. Fees will be paid before submitting the request to the Village Clerk. Item D has a separate set of fees for the building inspection and shall be paid to the authority performing the building inspection.





MODEL: PITTSVILLE
 PLAN: 40'-0" x 26'-0" 1040SQT

FLOOR PLAN
 & ELEVATION
 SCALE 1/8"=1'

DATE: 10-12-2004
 HOUSE NUMBER: 2004-097



PITTSVILLE
 HOMES, INC.
 101 S. 11th St. Pittsfield, Vermont 05761





SHOWING ILLUSTRATION PORTAGES ONLY

Specifications

PITTSVILLE HOMES, INC.
P.O. Box C
5094 2nd Ave. South
Pittsville, Wisconsin 54466
(715-884-2511) or (1-877-248-8371)
www.pittsvillehomes.com

GENERAL SPECIFICATIONS – MAY 2003

1. BASEMENT FOUNDATIONS AND GARAGES
 - A. Not supplied by Pittsville Homes, Inc.
2. STRUCTURAL
 - A. Floor: 2x10 joists 16" o.c., 24/16 APA subfloor and 5/8" underlayment glued and nailed
 - B. Exterior walls: 2x4 studs 16" o.c., 7/16" sheathing stapled and glued. Fiberglass and urethane insulation; creates an R-20 wall system. Optional 2x6 studs with the same construction system creates an R-26 wall system.
 - C. Interior walls: 2x4 studs 16" o.c.
 - D. Roof: Engineered trusses for all snow loading zones, 24/16 APA sheathing. R-40 cellulose ceiling insulation.
3. EXTERIOR DETAILS
 - A. Siding: Double 4" lap vinyl siding standard applied over infiltration barrier. Upgrade vinyl styles and other types of siding are available as options.
 - B. Windows: Aluminum clad exterior, stained wood interior.
Double hung and slide-by windows. HK insulated argon filled with combination storm.
Casements and awnings: HK argon filled with interior screen.
 - C. Exterior doors: Insulated steel. Primed is standard. Optional finishes and styles available.
 - D. Roofs: 30 YEAR 245# self-sealing fiberglass shingles with Ice & Water Barrier along eaves.
Prefinished aluminum soffit, roof ridge vent. 4/12 Pitch is std. (requires on-site completion by PHI builder)
4. INTERIOR DETAILS: (Gypsum board, 1/2" walls and 5/8" ceilings)
 - A. Floor coverings: None. See your Pittsville Homes Builder for flooring selection and styles.
 - B. Doors and Trim: Doors: Embossed masonite are standard (other door options available).
Trim: Colonial Prefinished oak.
 - C. Cabinets: Kitchen and Bath: Oak cabinet fronts with roll out shelves.
 - D. Counter Tops: Kitchen and Bath: Triple cove plastic laminate.
5. PLUMBING: All fixtures, vent lines and supply lines installed above floor line. White fixtures are standard. Colors optional. (Water closet shipped loose)
 - A. Bathtub/Shower: Molded fiberglass with single handle pressure balanced faucet, showerhead, and shower rod.
 - B. Water Closet: 1.6 gallon insulated water saver.
China lavatory with single handle faucet.
 - C. Kitchen sink: Stainless steel with single handle faucet and spray.



6. ELECTRICAL: (Wired to National Electric Code).
 - A. Entrance Cabinet: 200 Amp.
 - B. Circuit Protection: Breakers
 - C. Devices & fixtures: UL listed fixtures, receptacles, switches, smoke detectors and bath fan. Ground fault circuits for bath, kitchen, front and rear exterior receptacles. (Exterior recepts not included on raised randh models).
7. HEATING: Factory adaptation to various types of onsite installed heating systems.
8. AIR TO AIR HEAT EXCHANGER: Standard on all models for energy efficiency and indoor ventilation control.
9. PRICING INCLUDES DELIVERY WIHTIN 150 MILES FROM THE PLANT. Additional charges beyond 150 miles. CONTACT YOUR LOCAL PITTSVILLE HOMES BUILDER FOR SETTING AND ONSITE FINISH COSTS.

Due to our ongoing improvement policy, specifications and prices are subject to change without notice.



TERRACE HOMES RETAIL LLC

1553 11th Drive
Friendship, WI 53934-9774
(608)339-3303 FAX (608)339-3581

PRICE QUOTATION

For

**Rural Housing Inc.
4505 Regent Street
Madison, WI 53705**

Medallion Series Model M-VDH 2636

\$47,717.00

ROOF/CEILING:

Self-sealing asphalt shingles with felt underlayment
Energy trusses with 1/2" APA structure sheathing
Continuous attic air ventilation baffles
Rock wool fire-retardant blanket insulation with continuous poly vapor barrier warm side R-38
Unique 1x3 ceiling support grids 16" o.c.
Drywall ceiling—knockdown finish with paint
Quality Edge maintenance-free aluminum fascia and fully-vented soffit

EXTERIOR WALLS:

Energy performance 6" wall system
Georgia Pacific maintenance-free vinyl siding
3/8" Rigid APA structural sheathing with Tyvek-type house wrap
Fully insulated 2x6 16" o.c. framing with doubled 2x6 top plates
Mansville fiberglass wall insulation with vapor barrier warm side R-21
Drywall interior wall finish. "Terrace Original" skip trowel knockdown texture with paint

DOORS & WINDOWS:

Insulated headers above exterior windows and doors
Kolbe & Kolbe Low "E" maintenance-free aluminum-clad casement crank-out windows

(Stained, not varnished)

Embossed steel-insulated entry door

INTERIORS:

"Terrace Original" drywall finish with paint
Pionite kitchen and bath countertops. Choice of color.
Class "A" plumbing fixtures by Delta
Seagull lighting fixtures. Basic package.

FLOORS/CEILING:

2x10 Floor joists 16" o.c. with doubled and insulated rim joists over total perimeter
3/4" APA sturdy floor decking



Universal Design Features Standard in Terrace Homes “Medallion” Series:

42” Hallways

Easy-to-operate casement style (crank-out windows)

Lever-style door handles on interior and exterior doors

All interior doors are 3’

Exterior swinging doors have a low profile sill – 1/2”

Rocker panel light switches (light glow in the dark)

Elongated (taller) water closets

All bathrooms are designed to have a 5’ turning radius

Roll-in showers and bath tubs are equipped with structural hardware (grab bars) and

hand-held shower units with glide rails where shown on plan

Roll-under sink in bathrooms

Level-handle (single) kitchen faucet

Anti-scald bathtub and shower controls

12’x24’ Attached Garage

\$9,900.00

Attached: 4’ Frost wall and 4” slab with fiber mesh, (1) single switch

(1) 3-way switch and (1) 4-way switch

Construction Features:

(1) 4’x22’ concrete apron

(1) 3’x3’ concrete entry pad

2x4 treated sill plate

2x4 double top plate

2x4 studs 16” o.c.

7/16” wall sheathing and 1/2” roof sheathing

1 layer 15# felt

Ice Guard installed on eaves

Dimensional asphalt seal-down shingles

Vented aluminum soffit, fascia, and roof edges

Certified trusses 24” o.c.

(1) 16’x7’ raised panel overhead door

Prefinished vinyl lap siding

(2) 40”x16” aluminum garage windows

(1) 2/8” primed metal insulated door

(2) Porcelain interior lights

(2) 110 outlets

(3) Exterior switched light fixtures

ON-SITE COSTS AS FOLLOWS:

Crane set and finish home

\$5,160.00

Crawl space foundation to include poured footings, 8” poured 3000 PSI concrete walls

\$5,795.00

Gravel and visquene floor, adjustable vents, 1” Styrofoam on interior



Electrical hook-ups to include meter base socket on side wall of home, wire furnace, air conditioner, and all upper level hook-ups	\$1,250.00
Plumbing hook-ups to include 40-gallon electric water heater, 2 outside freeze-proof faucets and all upper level hook-ups to well/septic laterals stubbed inside foundation wall	\$2,315.00
High efficiency forced air gas furnace installed, including all sheet metal duct work, dryer venting, gas piping, and furnace skuttle	\$3,883.00

ALLOWANCES AS FOLLOWS:

Building permits	\$350.00
Carpet and vinyl flooring	\$2,700.00
Excavation/Backfill	\$2,200.00
Water and sewer laterals (50')	\$1,500.00

COMPLETE PROJECT COST **\$82,770.00**

BY OWNER: Driveway/Landscaping/Tree Removal/Appliances

Jan Halbur





APPENDIX H: RESOURCES

Organizations that support cooperative housing development and success

Cooperative Development Services
131 W. Wilson Street, Suite 400
Madison, WI 53703
608-258-4396
<http://www.cdsus.coop/>

Foundation for Rural Housing, Inc.
4506 Regent Street
Madison, WI 53705
608-238-3448

National Association of Housing Cooperatives
1401 New York Avenue NW, Suite 1100
Washington DC 20005
202-737-0797
www.coophousing.org

Northcountry Cooperative Development Fund
219 Main Street SE, #500
Minneapolis, MN 55414
Tel: (612) 331-9103
<http://www.ncdf.org/>

Senior Cooperative Foundation
639 Jackson Avenue
St. Paul, MN 55101
Toll-free: 866-730-COOP (2667)
<http://www.seniorcoops.org/>

Senior Cooperative Housing Network
Minnesota Association of Cooperatives
Blair Arcade W, Suite Y
400 Selby Ave.
St. Paul, MN 55102
651-228-0213

University of Wisconsin Center
for Cooperatives
230 Taylor Hall
427 Lorch Street
Madison, WI 53706
608-262-3981
www.wisc.edu/uwcc

Publications

Cooperative housing toolbox: A guide for successful community development
Published by Northcountry Development Foundation in partnership with Northcountry Development Fund, Minneapolis, MN (undated). 612-331-9103 / www.ncdf.org

Cooperative housing toolbox: A practical guide for cooperative success
Published by Northcountry Development Foundation in partnership with Northcountry Development Fund, Minneapolis, MN (undated). 612-331-9103 / www.ncdf.org

Developing and sustaining rural senior cooperative housing: How-to manual
Published by Cooperative Development Foundation, Washington, DC, 2001.
202-638-6222 / <http://www.cdf.coop/>

Legal Manual for Small Rural Home Cooperatives
Published by Rural Housing Foundation, Inc. and the University of Wisconsin Center for Cooperatives, Madison, WI, 2005. 608-262-3981 / www.wisc.edu/uwcc

“More than just housing...co-op housing”
A four-page brochure published by the University of Wisconsin Center for Cooperatives, Madison, WI, 2005. 608-262-3981 / www.wisc.edu/uwcc

