The New York Times Real Estate

Sunday, September 29, 1996

Section 9

Q. & A.

Board's Powers In a Co-op

Q Recently, the board of our building decided to close our community roof deck. One member of the sixperson board said he inspected the deck and thought it unsafe. I understand that the board would have to. take immediate steps if a true hazard exists, but there has not been any discussion of repairs. It appears to be permanently closed due to rumors of wild drinking parties that were spread, I believe, by people who live on the top floor. Many shareholders have signed a petition to bring back the roof deck, but the petition was ignored. Can a board of six take away this amenity without the input or approval of the shareholders? What can the shareholders do? Isn't a board of six a bit small for a 200plus-unit building? ... Debra Kozee, Manhattan.

A Eric P. Gonchar, a Manhattan real estate lawyer, said that boards have wide discretion to run the affairs of a co-op. If the board closed the roof deck because it was unsafe or annoying other tenants in the building, Mr. Gonchar said, or if the use of the roof deck was not in compliance with the house rules, the board was within its rights to close the deck.

"The board does not have to consult with shareholders in performing its duties," Mr. Gonchar said.

If a majority of shareholders are unsatisfied with the board's performance, he said, the board can be voted out of office. If shareholders do not want to wait until the next scheduled election, Mr. Gonchar said, one or more board members can be removed if enough shareholders—typically 25 percent—sign a petition calling for a special meeting to remove a director or directors and to re-elect a new board.

Moreover, Mr. Gonchar said, the co-op's bylaws can be amended — typically by a two-thirds vote of shareholders — to increase or decrease the number of directors.

"But a six-member board is not small for a 200-plus-unit building," he said.