



CITY OF NEW YORK

MANHATTAN COMMUNITY BOARD FOUR

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BURT LAZARIN
Chair

JESSE R. BODINE
District Manager

October 16, 2018

John Tatum
Fairstead Capital
250 West 55th Street, 35th Floor
New York, NY 10019

**Re: 414-424 West 48th Street and 328-336 West 53rd Street
HAP Contract Extension and Article XI Exemption**

Dear Mr. Tatum:

At the January 18, 2018 meeting of Manhattan Community Board 4's (MCB4) Housing, Health and Human Services Committee, Fairstead Capital presented redevelopment plans for two properties it recently acquired at 414-424 West 48th Street and 328-336 West 53rd Street. By vote of 29 in favor, 0 opposed, 0 abstaining, and 0 present but not eligible to vote, MCB4 voted to support the renovation plans, with additional suggestions for improvements.

Background

414-424 West 48th Street and 328-336 West 53rd Street are two affordable housing developments in Hell's Kitchen containing residential units that were developed through the project-based Section 8 Program in the 1980s. 414-424 West 48th Street contains 54 residential units and 328-336 West 53rd Street contains 41 residential units. In November 2017, Fairstead assumed ownership of the buildings and began improvements in common areas, including the renovation of the community room, which had been unused for 20 years.

Both properties have unit based Housing Assistance Payments (HAP) contracts that expired on January 31, 2018. Fairstead requested a one year HAP extension in February. In addition, the properties have Article V tax exemptions that are set to expire on April 1, 2018.

Fairstead Renovation Plans

Fairstead proposes a moderate renovation of approximately 100% of the 95 apartments in 414-424 West 48th Street and 328-336 West 53rd Street. The owner proposes to renovate kitchens and bathrooms in those units, along with public areas and community rooms.

At the meeting on January 18, 2018, MCB4 requested that Fairstead provide a more detailed scope of work for both buildings. That scope of work was provided to the Board in June 2018 and is outlined below¹.

1. Approximately 80% of all apartment kitchens and baths will be upgraded with new flooring, kitchen cabinets, quartz countertops, new refrigerators and stoves/ovens.
2. Bathrooms will be upgraded with new tiling, low-flow toilets, sink, tub and vanities.
3. Hallway painting and flooring, common area interior and exterior lighting retrofit.
4. Laundry room upgrades, elevator cab modernization, front entry doors to the buildings, card access system, camera upgrades, intercom upgrades.
5. New Efficient Gas Boiler to be installed at 414 West 48th Street.
6. 50%-60% of windows in each building to be replaced with double hung, insulated windows with additional replacements, if necessary.
7. Exhaust vent cleaning with new roof motors.

Recommendations from MCB4

Article XI Term

MCB4 requests Fairstead seek a 40-year Article XI tax exemption with a corresponding 40-year Regulatory Agreement. The community has long advocated for lengthier terms to ensure long-term affordability for residents. In recent examples, owners were able to obtain 40 year terms for the French Apartments located at 330 West 30th Street and the Terrific Tenements at 525 West 47th Street and 425 West 48th Street. Extending the length of affordability for the 95 units in 414-424 West 48th Street and 328-336 West 53rd Street will allow long-term residents to stay in place and will ensure the stability of the Hell's Kitchen neighborhood.

Building Improvements – 414-424 West 48th Street

An MCB4 Board member inspected 414-424 West 48th Street to survey the building's exterior conditions. Based on that inspection, the HH&HS Committee requested the follow additional scope of work additions:

¹ See Enclosure: Fairstead Scope of Work Summary dated June 11, 2018.

1. *Exterior lighting*: existing fixtures should be replaced with brighter and more welcoming fixtures which are dark sky compliant²
2. *Entrance*: entry should be more welcoming; plain metal entry and vestibule doors should be replaced to include more glass
3. *Windows*: Narrow ground floor windows should have lintels installed similar to windows on the upper floors
4. *Cellar ventilation*: is provided via concrete blocks that have been turned on their sides and incorporated into the façade. Those blocks should be replaced with standard metal ventilation louvers.
5. *Trees and tree pits*: the four existing tree pits should be expanded with Belgian block and tree guards should be installed
6. *General maintenance*:
 - a. planting beds and tree pits at entrance should be kept clear of debris
 - b. metal railings around planting beds at entrance need to be repainted
 - c. remove dead plants and plant new plants as needed
 - d. building maintenance to keep sidewalk in front of building clean
7. *Cornices*: install new building cornices to reflect character of block
8. Paint base of building from windowsill to sidewalk contrasting color

Building Improvements – 328-336 West 53rd Street

MCB4 made the following suggestions for 328-336 West 53rd Street:

1. *Exterior lighting*: should be replaced with brighter and more welcoming fixtures
2. *Entrance*: should be more welcoming; plain metal doors should be replaced
3. *Trees and tree pits*: plant trees as per requirements of 96-51: Mandatory Street Planting Provisions. Tree pits should be narrow with Belgian block and tree guards should be installed
4. *General maintenance*
 - a. metal railings around planting beds at entrance need to be repainted
 - b. building maintenance should keep sidewalk in front of building clean
5. *Cornices*: install new building cornices to reflect character of block

In response, Fairstead sent MCB4 commitments letters agreeing to expand the scope of work to include these additions (See enclosure).

Homeless Set-Asides

As with other affordable housing developments in our district, MCB4 requests that the homeless set aside requirement for 414-424 West 48th Street and 328-336 West 53rd Street be no higher than ten percent (10%) of the residential units.

² Dark sky compliant lighting fixtures reduce the waste of ambient light, thus minimizing light pollution and energy use.

Conclusion

MCB4 advocates not only for preserving and expanding affordable housing but also for affordable housing that reinforces and supports the character of our neighborhood and its specific blocks. The Board believes these improvements, along with the needed interior renovation, will reinforce character and a sense of place in these historic blocks of Clinton/Hell's Kitchen.

The Board thanks Fairstead for the presentation and looks forward to working with you to ensure that these buildings not only remain an affordable housing asset for the community but also contribute to the vibrancy of our neighborhood.

Sincerely,



Burt Lazarin
MCB4 Chair

Signed [10/2/18]
Barbara Davis, Co-Chair
Housing, Health &
Human Services Committee



Joe Restuccia, Co-Chair
Housing, Health &
Human Services Committee

Enclosure

cc: Maria Torres-Springer, Commissioner NYC HPD
Hon. Corey Johnson, Speaker, City Council
Hon. Gale A. Brewer, Manhattan Borough President

June 11, 2018

SCOPE OF WORK SUMMARY

Upcoming Renovation Scope of Work to include:

1. Estimated costs for the renovations at 414 West 48th and 328 West 53rd total \$30,000 per unit and includes the following:
 - a. Approximately 80% of all apartment kitchens and baths will be upgraded with new flooring, kitchen cabinets, quartz countertops, new refrigerators and stoves/ovens.
 - b. Bathrooms will be upgraded with new tiling, low-flow toilets, sink, tub and vanities.
 - c. Hallway painting and flooring, common area interior and exterior lighting retrofit.
 - d. Laundry room upgrades, elevator cab modernization, front entry doors to the buildings, card access system, camera upgrades, intercom upgrades.
 - e. New Efficient Gas Boiler to be installed at 414 West 48th Street.
 - f. 50%-60% of windows in each building to be replaced with double hung, insulated windows with additional replacements, if necessary.
 - g. Exhaust vent cleaning with new roof motors.

Since October 2017, Fairstead Affordable has completed the following items for each property:

1. 328 W 53rd Street
 - a. Boiler replacement and gas conversion including new remote boiler controls
 - b. Community room renovation – this amenity is returned to residents as it was out of commission for 20 years
 - c. Addressed in-unit deferred maintenance
2. 414 W 48th Street
 - a. New remote boiler controls
 - b. Community room renovation – this amenity is returned to residents as it was out of commission for 20 years
 - c. Extensive exterior repairs – including roof repairs and silver coating, façade repairs, coping stone replacement, waterproofing sealant on the front and rear of the building
 - d. Addressed in-unit deferred maintenance
 - e. Replaced fencing in the rear courtyard

FAIRSTEAD // AFFORDABLE

Date: September 24, 2018

Jesse Bodine
District Manager
Manhattan Community Board 4
330 West 42 Street, 26th Floor
New York, New York 10036

Re: 414-424 West 48th Street

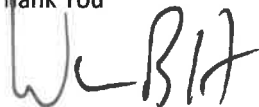
Thank you for your consideration of support for Article XI exemption on the above referenced property. Pursuant to the Community Board's request, below are the various measures discussed during the meeting of August 6th, to be implemented in the preservation program for the properties:

- Fairstead to seek 40-year Article XI Regulatory Agreement with HPD, this will allow long-term residents to stay in place and will ensure the stability of the Hells' Kitchen neighborhood.
- Pending any modifications required by HUD or the Lender, Fairstead will incorporate the following improvements to the scope of work;
 - Replace/Improve exterior lighting fixtures
 - Maintain Exterior of building, paint where necessary
 - Improve entry vestibule
 - Replace concrete blocks on exterior of cellar with standard metal ventilation louvers
 - Replace/Improve existing tree pits/Paint all tree guards
 - Replacement of tree beds
 - Ensure exterior of property is well maintained and free of debris

Fairstead will continue to work with the community board throughout this process to consider all low-cost, high impact improvements, and to improve upon the relationship with tenants and tenant advocacy groups in Hells' Kitchen to facilitate the successful preservation of these property.

We look forward to receiving the written support of the community board and to move the transaction forward to the city council.

Thank You



Will Blodgett

Cc:

Barbara Davis –Co-Chair, Housing, Health & Human Services Committee
Joe Restuccia –Co-Chair, Housing, Health & Human Services Committee
Victoria Gousse – Fairstead Affordable
John Tatum – Fairstead Affordable
John Kelly – Nixon Peabody
Deborah VanAmerongen - Nixon Peabody

FAIRSTEAD // AFFORDABLE

Date: October 2, 2018

Jesse Bodine
District Manager
Manhattan Community Board 4
330 West 42 Street, 26th Floor
New York, New York 10036

Re: 328-336 West 53rd Street

Thank you for your consideration of support for Article XI exemption on the above referenced property. Pursuant to the Community Board's request, below are the various measures discussed during the meeting of August 6th, to be implemented in the preservation program for the properties:

- Fairstead to seek 40-year Article XI Regulatory Agreement with HPD, this will allow long-term residents to stay in place and will ensure the stability of the Hells' Kitchen neighborhood.
- Pending any modifications required by HUD or the Lender, Fairstead will incorporate the following improvements to the scope of work;
 - Replace/Improve exterior lighting fixtures
 - Maintain Exterior of building, paint where necessary
 - Improve entry vestibule, paint entry-way railings
 - Seek out approval from the New York City Parks Department and New York City Department of Buildings to plant additional trees on the exterior of the property per 96-51: Mandatory Street Planting Provisions and install tree guards.
 - Ensure exterior of property is well maintained and free of debris

Fairstead will continue to work with the community board throughout this process to consider all low-cost, high impact improvements, and to improve upon the relationship with tenants and tenant advocacy groups in Hells' Kitchen to facilitate the successful preservation of the property.

We look forward to receiving the written support of the community board and to move the transaction forward to the city council.

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