



CITY OF NEW YORK
MANHATTAN COMMUNITY BOARD FOUR

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JEFFREY LEFRANCOIS
Chair

JESSE R. BODINE
District Manager

June 10, 2022

Adolfo Carrión Jr., Commissioner
NYC Department of Housing Preservation and Development
100 Gold Street
New York, NY 10007

Re: Park Clinton 535 W52nd Street (Clinton Commons HDFC)

Dear Commissioner Carrión,

Manhattan Community Board 4 (MCB4) supports the request from Park Clinton HDFC (aka Clinton Commons HDFC, located at 535 West 52nd Street) regarding affordable financing for façade repairs for Local Law 11 compliance. On May 19th, 2022, at its regularly scheduled meeting, MCB4's Housing, Health and Human Services (HHHS) Committee heard a presentation and discussed the building's façade repair needs.

MCB4 at its June 1st, 2022, full Board meeting, voted 44 in favor, 0 opposed, 2 abstaining and 0 present but not eligible to support Park Clinton's request for assistance. Therefore, MCB4 requests that NYC Department of Housing Preservation and Development (HPD) assign a Project Manager to work with Park Clinton to evaluate the project and access its Multifamily Housing Rehabilitation Loan Program to fund needed repairs as soon as possible.

Park Clinton (aka Clinton Commons)

Park Clinton is a permanently affordable, income and resale restricted Housing Development Fund Corporation (HDFC) co-op founded in 2014. Located at 535 West 52nd Street, the 95-unit building is on a parcel of formerly city-owned land in the Clinton Urban Renewal Area (CURA). The CURA, 10th to 11th Avenues, West 50th to West 56th Streets, designated in 1969, was the city's first City Urban Renewal¹ site, with a local sponsor, the Clinton Housing Association (CHA).

¹ As opposed to Federal

The CURA redevelopment proceeded, and construction of affordable housing commenced from the early 1970s to the mid-1980s. Then, after stops and starts under multiple mayoral administrations, the Hell's Kitchen community agreed on an overall revised plan in 1999. Based on that plan, the site, part of CURA Site 7, was to be developed as affordable housing, as the final development sponsored by the CHA. CHA partnered with Monadnock Construction to finance and build the 96-unit HDFC co-op. The ULURP was completed on April 6, 2011, construction began in later that year and was completed in 2013.

Therefore, the Park Clinton was the culmination of decades of efforts by the Hell's Kitchen community to ensure the construction of affordable housing in the CURA. The 95 apartment shareholders were selected by the NYC Housing Connect housing lottery.

Balance of Site 7 Affordable Housing Development

The balance of CURA Site 7 was developed in two related sites by Clinton Housing Development Company and Taconic Investment Partners. Taconic Investment Partners developed a 392-unit apartment building, with 79 permanently affordable units for low-income individuals and families at 525 West 52nd Street. CHDC developed a permanently affordable 103-unit apartment building for moderate- and middle-income households at 540 West 53rd Street. Those developments were completed in 2017 & 2019 respectively.

Local Law 11 requirements and need for Affordable Financing

Within 9 years of construction completion, a serious financial obligation has occurred for the Park Clinton. Pursuant to Local Law 11, the first Façade Inspection Safety Program (FISP) inspection for the Park Clinton revealed multiple locations for needed façade repairs, including a complete new parapet on 3 sides of the building. The facade repair is currently estimated to be \$600,000. While developing the repair scope and specifications, this affordable coop has already incurred DOB fines.

The HDFC is pursuing a negotiated settlement with Monadnock regarding this matter. However, that process will not meet the timeline for Local Law 11 compliance. It has already increased common charges to fund architecture/engineering consultants, sidewalk scaffolding on the street and in the rear yard, and Local Law 11 fines. The HDFC does not have the financial resources to contract and complete this required work.

HPD Multifamily Housing Rehabilitation Loan Program

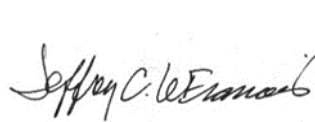
Therefore the HDFC approached HPD's Multifamily Housing Rehabilitation Loan Program in September 2021 and again in January 2022 for financing. As of May 2022, Park Clinton has not been assigned a Project Manager even though the coop has highlighted the pressing need and increased project scope. The program has responded that they have limited staff capacity and a significant backlog of projects. Unless the Park Clinton submits plans to repair the façade or shows progress in the matter, it will continue to incur fines pursuant to Local Law 11.

Request to HPD

MCB4 requests that HPD assign a project manager from the Multifamily Housing Rehabilitation Loan Program to process the Park Clinton’s request for modest financing for Local Law 11 required façade repairs. This action will ensure the HDFC remains affordable to its residents and Hell’s Kitchen community.

In its 53-year history the Clinton Urban Renewal Area continues to produce affordable housing for the Hell’s Kitchen community. But we cannot forget affordable developments that have been successful, such as the Park Clinton. The HDFC has a 40-year regulatory period for affordability. The Park Clinton is a rare example of affordable homeownership for moderate and middle-income households in Hell’s Kitchen. It needs HPD financing from to maintain that affordability.

Sincerely,



Jeffrey LeFrancios
Chair
Manhattan
Community Board 4



Maria Ortiz
Co-Chair
Housing, Health
Human Services Committee



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

CC:

- Eric Adams, New York City Mayor
- Adrienne Adams, New York City Council Speaker
- Mark Levine, Manhattan Borough President
- Erik Bottcher, New York City Councilmember, Council District 3
- Brad Hoylman, State Senator
- Linda Rosenthal, Assemblymember

Appendices

Appendix A. Park Clinton Presentation to MCB

Park Clinton (Clinton Commons HDFC)

- Income and resale restricted HDFC coop founded in 2014
- Formerly city-owned land in the Clinton Urban Renewal Area on W 52nd
- 95 apartment shareholders selected by housing lottery
- Cooperative in existence for less than one year before being surrounded by construction on 3 sides

We request assistance from Community Board 4:

1. **To help ensure Taconic Partners finishes outstanding repairs** caused by aggressive and invasive construction of 525 W 52nd that started in 2015. We have incurred legal and engineering costs to try and resolve these issues.
2. **To help get a formal response from HPD** and a Project Manager assigned to our multiple requests for a loan from the Multifamily Housing Rehabilitation Loan Program



Before Taconic Construction Google Maps - June 2014



Front of building from West 52nd Street



Rear of building from West 53rd Street

After Taconic Construction Google Maps - August 2015



Front of building from West 52nd Street



Rear of building from West 53rd Street

Park Clinton Backyard

Building cracks and
leaks into
apartments

Street Level

Taconnic dug under the
retaining wall which led
soil to pour out from
the Park Clinton
Backyard and caused
soil settlement and
drainage issues

Google

Examples of remaining Taconic construction impacts



Damaged brick has been on a list of requested repairs since 2017



Gap created after drainage work and was not backfilled or covered in pavers



Mature backyard plantings died during construction and due to reduced sunlight



Wood fence was removed by Taconic contractors in 2021 to correct backyard drainage/soil issues. The cedar wood was water damaged during construction and poorly reconstructed and began warping after the construction

Request for support from HPD to help us make repairs

- The first Façade Inspection Safety Program (FISP) inspection for the Park Clinton revealed a project estimated to cost \$600,000
- Building was 5 years old and the Sponsor/Developer was put on notice
- Applied to HPD Multifamily Housing Rehabilitation Loan Program Loan in September 2021 and again January 2022
- As of May 2022, we have not been assigned a Project Manager through we highlighted pressing need and shift in project scope
- As a limited equity cooperative, we depend on HPD for financing support to maintain the health and safety of the building