



CITY OF NEW YORK

MANHATTAN COMMUNITY BOARD FOUR

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JOHN WEIS
Chair

ROBERT J. BENFATTO, JR., ESQ.
District Manager

May 4, 2011

Mary D'Elia, Clinton Housing Association
Frank Dubinsky, Monadnock Construction
West 52nd St. Affordable Developers, LLC
A Joint-Venture of Clinton Housing Association and
Monadnock Construction, Inc.
155 3rd St. Brooklyn
New York, NY 11231

Re: Clinton Commons
533-541 West 52nd Street

Dear Ms. D'Elia and Mr. Dubinsky:

Manhattan Community Board 4 (CB4) is pleased that the zoning issues preventing the Clinton Commons project from moving forward have now been resolved. Clinton Commons is once again on track to bring permanently affordable home ownership to the Clinton/Hell's Kitchen neighborhood. CB4 is pleased with the project update presented to the Clinton/Hell's Kitchen Land Use Committee (C/HKLU) on April 13, 2011. At that meeting, several issues were raised by Committee members and the public regarding the project operation, specifically centering on resale and continued permanent affordability. Those questions, enumerated below, were expected to have been answered before CB4's Full Board meeting on May 4, 2011. The Board has received a request from the Department of Housing Preservation and Development (HPD) for more time in responding to these issues. The Board understands that this project presents a new direction in HPD's commitment to creating affordable homeownership with its aspect of permanent affordability. However, CB4 must stress that all questions must be answered before the next C/HKLU meeting on May 11, 2011 in order for CB4 to take a final position on this project by its June 1, 2011 meeting.

The Board requests further details on the issues noted below:

- **Affordability**
 - What income bands will be eligible?
 - How many units will be included in each income band?
 - How will the units of different income bands be distributed throughout the building?
- **Homeowner Counseling**
 - How many sessions will be provided?

- What outreach will be conducted?
- **Restrictions on Eligibility**
 - What will be the requirement for primary residency?
 - What succession rights will owners have?
 - How will succession rights be managed?
 - How will succession rights treat domestic partnerships?
- **Shareholder Return upon Re-Sale**
 - Will there be a flip tax?
 - What is the limited return to the owner?
 - How is limited return calculated?
 - Will the limited return grow over time?
 - Will shareholders be reimbursed for capital improvements?
- **Monitoring of Re-Sale**
 - Will the co-op have a right of first refusal to purchase shares being resold?
 - How will re-sales be approved?
 - Who will review re-sales?
 - Who has to sign off on a re-sale?
 - Who monitors income eligibility on a re-sale?
- **Monitoring**
 - How will the permanently affordable housing steward be selected (Please note, the steward must be selected prior to closing)?
 - What will be the annual compensation for the steward?
 - Annual compensation must be sufficient to ensure the project will be adequately monitored
- **Reporting**
 - The Board requests that CB4, the local City Council Member and the Borough President's office receive an annual report detailing all apartment resales.
- **Reserves**
 - How will the reserves be capitalized?
 - What type of reserves will be capitalized and in what amounts?
 - How will the amount needed to adequately capitalize the reserves be calculated?

Had the need for a Mayoral Zoning Override not occurred, these questions would have already been posed and answered. CB4 recognizes the unique circumstances that caused the need for Zoning Override; however, it looks forward to a prompt response to the questions raised by the Board and the public and presented in this letter. As always, we appreciate working with your team to bring permanently affordable home ownership to our Clinton/Hell's Kitchen community.

Sincerely,



John Weis, Chair
Manhattan Community Board 4



Elisa Gerontianos, Co-Chair
Clinton/Hell's Kitchen Land Use Committee



Joe Restuccia, Co-Chair
Clinton/Hell's Kitchen Land Use Committee

Cc: Beatriz de la Torre – HPD
Thebia Walters – HPD
Sara Levenson – HPD
All Local Electeds