



CITY OF NEW YORK

MANHATTAN COMMUNITY BOARD FOUR

330 West 42nd Street, 26th floor New York, NY 10036
tel: 212-736-4536 fax: 212-947-9512
www.ManhattanCB4.org

JEAN-DANIEL NOLAND
Chair

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

September 6, 2007

John Warren
First Deputy Commissioner
NYC Department of Housing Preservation and Development
100 Gold Street
New York, New York 10038

Re: Reimbursement of LeNoble Lumber's Temporary Relocation Expenses

Dear Mr. Warren:

Manhattan Community Board No. 4 requests that you find a way to reimburse LeNoble Lumber for its expenses in temporarily relocating from development sites in the Clinton Urban Renewal Area (CURA) so that more affordable housing can be developed.

Matt Dienstag, Vice President of LeNoble Lumber Co., Inc. has sent the Board a copy of his letter to HPD dated August 8, 2007 concerning reimbursement of LeNoble Lumber's temporary relocation expenses. He also attended the meeting of the Board's Clinton/Hell's Kitchen Land Use Committee on July 11, 2007 to ask for our help in this regard. We are dismayed that the issue remains unresolved.

As you know, LeNoble Lumber is a long-term commercial tenant of several City-owned properties scattered throughout the CURA. In April 2005, HPD and LeNoble entered into a Memorandum of Understanding to allow LeNoble's operations to be consolidated at a single location, as the base of a new affordable housing project on a portion of CURA Site 7. As we wrote in our May 5, 2005 letter supporting the MOU, this consolidation of LeNoble's operations will allow three different affordable housing projects to move forward, and will allow LeNoble to maintain its operations within the CURA. Both will advance this Board's goals concerning development within the CURA, which include maximizing the amount of affordable housing while accommodating existing light manufacturing on site.

The MOU provides for temporary relocation of LeNoble's operations, to "temporary facilities of suitable size" within the CURA, to be paid for by the developers of the sites being vacated by LeNoble. In the normal development scenario, HPD would select a developer for each project, the developer would negotiate with HPD the funding of the project, including funding of the relocation expenses, and the developer would enter into a relocation agreement with LeNoble. But the normal development scenario rarely occurs in the CURA, and hasn't occurred here.

Knowing that relocation would eventually be required, LeNoble on its own, and after consultation with this Board and others in the community, secured temporary relocation space in Long Island City (because no suitable space is available in the CURA), and removed all of its operations from the CURA in May 2007. LeNoble may have put the cart before the horse by moving without a relocation agreement in place and before a funding mechanism had been established, but its early action here is a significant advantage for the remaining CURA projects and should be rewarded not penalized.

Since January 2007, HPD has been considering LeNoble's request for an agreement for reimbursement of those expenses, but has yet to figure out a way to fund the reimbursement independent of the budgets of the future development projects. We understand and share Mr. Dienstag's frustration that this matter has been unresolved for so many months. How often do you have a site tenant find its own relocation space and handle its own move, rather than cause significant delay?

We urge HPD to work with Clinton Housing Development Company, which has been designated as part of the development team for one of the projects mentioned in the MOU and is expected to be similarly designated for the other, to find a way to agree on and fund LeNoble's temporary relocation expenses without further delay.

Sincerely,



Jean-Daniel Noland
Chair



Anna Hayes Levin, Chair
Clinton/Hell's Kitchen Land Use Committee

Cc: Joe Restuccia, Clinton Housing Development Company¹
Matt Dienstag, LeNoble Lumber Co., Inc.
electeds

¹ Joe Restuccia, Executive Director of CHDC, is also a member of this Board and of its Clinton/Hell's Kitchen Land Use Committee. His interest has been disclosed, and he is not entitled to vote on any matter concerning the development projects mentioned in this letter that may come before the Board or the Committee, including approval of this letter.