

CHRISTINE BERTHET

Chair

Jesse R. Bodine District Manager

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.nyc.gov/mcb4

February 13, 2015

Ms. Vicki Been Commissioner NYC Dept. of Housing Preservation and Development 100 Gold Street New York, NY 10038

> Re: 330-332 West 51st Street SRO Preservation Proposal Lantern Group

Dear Commissioner Been,

The proposal for 330-332 West 51st Street (the "Project") for the Single Room Occupancy (SRO) Preservation (the "Proposal") by the Lantern Group was discussed at the January 15th, 2015 meeting of Manhattan Community Board 4's (CB4) Housing Health and Human Services (HH&HS) Committee.

Background

The agreement between the Mayor and City Council over the development of the Western Rail Yards (WRY), known as the Western Railyards Points of Agreement (WRY POA), contained, as one of the affordable housing commitments, the preservation of SRO units:

(e) SRO Preservation: HPD will work with the local Council Member and CB4 to preserve up to 150 units of privately owned SRO housing. The Council Member and CB4 acknowledge the difficulties inherent in and lengthy timeframe needed to accomplish these private acquisitions. To the extent that such acquisition(s) can be negotiated. HPD will use its programs to acquire **and rehabilitate** these SRO units. (emphasis added)¹

Since the WRY will produce the greatest concentration and some of the highest end luxury housing in the City of New York, affordable housing produced as part of the WRY POA must be permanent and of the highest quality.

¹ Points of Agreement -Western Rail Yards 2009, section 3, subsection e.

As a means to achieving this commitment, CB4 approached Lantern Group as a qualified non-profit to identify SRO sites as part of this commitment. Lantern brought sites on West 45th, 56th and West 51st Street to CB4 for consideration. After conducting the appropriate due diligence Lantern Group acquired 330-332 West 51st Street in 2011.

2011 Lantern Presentation

On May 19, 2011 the Lantern Group presented preliminary plans to CB4 for the renovation of 330-332 West 51st Street. CB4 responded in a letter dated June 1, 2011 (copy attached) with a number of comments, concluding with:

"CB4 appreciates the desire to preserve the large number of units that these two buildings contain, however the goal is not to preserve outmoded arrangements but instead to create highly livable units. Therefore, CB4 is interested in creating:

- Larger, more livable rooms
- Better kitchen facilities
- More bathrooms
- ADA accessible units"

2012 Lantern Presentation

On September 20, 2012 the Lantern Group presented an updated proposal to CB4. The plan then encompassed a greater degree of renovation, including installation of an elevator. However, the plan still did not call for full gut renovation of the two buildings.CB4 responded in a letter dated October 12, 2012 (copy attached) with a number of comments, including:

"While preservation of these buildings is an opportunity to renovate valuable units, CB4 can only support the highest standard of renovation." and

"Rooms should be a minimum of 150 square feet; CB4 understands that layout changes and room reconfiguration will result in a reduction in the unit count but the Board supports high quality housing over high unit counts "

"CB4 requests full relocation of the existing tenants via relocation agreements that have been negotiated and executed prior to the commencement of the renovation of each building."

"CB4 cannot support a project that does not comply with ADA and HPD adaptability and accessibility requirements."

Lantern agreed to return to the CB4 with revised plans prior to proceeding. CB4 offered to assist Lantern in with HPD to provide an adequate renovation budget to meet the tenants' and neighborhood's need.

2013 & 2014

During 2013 and 2014 tenants from 330-332 West 51st attended meetings of the Housing, Health and Human Services Committee seeking information regarding the proposed renovation of the buildings. During that same period the Lantern Group did not request to appear on the Committee's agenda.

At the November 19, 2014 meeting, CB4 heard from the tenants of 330-332 West 51st Street who voiced their distress regarding current poor building conditions, tenant relocation, asbestos removal and lack of communication from Lantern about renovation plans. In response to those concerns, CB4 wrote to HPD on December 17, 2014 outlining these issues (copy attached) with a request to meet with its Division of Special Needs Housing. In that letter CB4 reiterated its concerns noted above in its 2011 and 2012 letters and again noted:

"(the)Board supports high quality housing over high unit counts" and

- "The scope of work should be a full gut renovation including new finishes and mechanical systems, reconfiguration of rooms to suite arrangements, an on-site laundry room and community facility space for on-site supportive services; and
- All bathrooms should be either ADA-adaptable or ADA-accessible." (emphasis added)

January 2015 HPD Meeting

On January 13, 2015, CB4 Co-Chair HH&HS Committee members Barbara Davis, Joe Restuccia and Housing Committee member Sarah Desmond, and CB4 Community Planner Erica Baptiste met with Special Needs Assistant Commissioner, Jessica Katz and Planning Director, Ray Hodges to discuss above detailed items seeking to come to resolution on addressing CB4's concerns communicated to Lantern since 2011. CB4 was informed during this meeting that the renovation plans had been approved by the Department of Buildings and construction financing closed by HPD. Still, CB4 remained hopeful that working with both HPD and Lantern, a renovation plan could be achieved which would meet the tenants', the community's needs and WRY POA requirements.

2015 Lantern Presentation

On January 15, 2015, **27 months after the prior presentation**, Rafal Markwat, the Lantern Project Manager and Akiko Kyei-Aboagye from Urban Architectural Initiatives the Lantern Group presented an updated proposal to CB4. Unfortunately, while addressing some items, the proposal raised a host of additional issues. The presentation was followed by **three and half hours of discussion** by the Committee Members, tenants and public.

Proposed Project & Moderate Renovation

The Proposal calls for *moderate not gut rehabilitation* of 330-332 West 51st Street, with the combination of the two walk up buildings into one elevator multiple dwelling. The number of SRO Rooms will be reduced from 140 to 112 with the retention of 52 existing tenants with the remaining 60 SRO Rooms available for rent by homeless individuals under New York 3 Agreement.

Elements of the renovation were presented as follows:

- Reduction in the number of units from 140 to 112 units
- Installation of an elevator in the combined building providing ADA access to all units
- Increase in the number of bathrooms per floor from 24 to 34
- Provision of one ADA bathrooms, on the eastern portion of the 1st floor only
- Installation of grab bars and low flow toilets in all bathrooms
- Installation of compact kitchens (Dwyer Units) in all units
- Leveling floors throughout the building
- Inclusion of front desk security area
- Inclusion Social Services offices in the cellar
- Installation of laundry facilities with 3 washers and 2 dryers
- Rear yard, with existing 3 trees, but no further planting or seating

CB4 Response to Updated Lantern Renovation Plan

The Board notes that Lantern Group has responded to some comments previously provided in its 2011 and 2012 letters, however the degree of proposed renovation simply does not meet the basic CB4 standards to provide permanent affordable housing standards let alone to meet one of the Affordable Housing Commitments and provide mitigation for the single largest real estate development of luxury housing in the City of New York.

The following list of concerns and issues attempts, but does not fully resolve, in moving the proposed plan to a higher standard of renovation and compliance.

Relocation

• CB4 encourages the 6 remaining tenants to relocate either to the 332 West 51st Street building or offsite during construction (Clinton Housing Development Company has also offered to provide relocation resources). CB4 understands the difficulty and unpleasantness of living within a construction site and will continue to assist the 6 remaining tenants in 330 West 51st and their attorneys at Housing Conservation Coordinator's to reach an agreement with Lantern on temporary relocation.

Apartment Configuration

- SRO Room size has continuously been requested to be a minimum of 150 square feet. The current plan does not meet that basic requirement. Many of the SRO Rooms are undersized with square footages of less than 100 square feet. CB4 requests the Lantern Group to provide the square footage of each proposed room and to provide a furniture plan for various room sizes and layouts;
- The current plan cannot deliver minimum 150 square foot room sizes. However to mitigate the undersize SRO Rooms, CB4 suggests elimination of the redundant corridor to the fire escapes (now no longer needed with proposed installation of enclosed fire stairs). With removal of the corridor, the SRO Rooms along the northern and southern ends of the building on the 2nd through 5th floors can be increased in size utilizing that square footage.
- The public hall corridor, in the center of the building, at approximately 8 feet, should be narrowed to allow that square footage to be placed in to the adjacent SRO rooms while still meeting ADA compliance.

ADA Compliance

- Entry doors to all SRO Rooms, not just some, must be ADA compliant.
- There must be at least one ADA compliant bathroom and shower room per floor, Disabled tenants should not have to take an elevator to shower or use the bathroom.
- A visually impaired unit should be included and designated.

Welcoming Design

- The plans detail a brick wall along the 51st property line. CB4 recommends the Lantern Group instead use wrought iron fencing to provide more openness between the building and the rest of the block.
- The plans indicate the rear yard with concrete paving retaining 3 existing trees. CB4 recommends installation of decorative pavers, with planter boxes and seating.
- Given the depth of the existing rear yard—10 feet--CB4 requests Lantern include a portion of the roof area for outdoor open space for use by the tenants.

Renovation Scope of Work

Lantern has represented and CB4 is pleased that:

- A new energy efficient, gas fired, hot water heating system will be installed with boilers on the roof and convectors will replace steam radiators throughout.
- The entire electrical wiring will be replaced throughout, with all new wiring installed inside walls.
- Dwyer kitchen units will be installed in all SRO Rooms. CB4 requests an elevation and appliance cut of the Dwyer kitchen unit to understand exactly what equipment it includes.

CB4 Requests:

- New sheetrock must be installed over all walls and ceilings to create fully renovated SRO Rooms. Retention of some old sheetrock or plaster walls is neither cost effective nor an acceptable standard of renovation.
- There must be sound insulation in all walls between SRO Rooms and public corridors, not just between floors and ceilings.
- There are no closets or wardrobes in the SRO Rooms. CB4 requests at least one closet or wardrobe in every room.
- The scope calls for resilient flooring, a modern version of vinyl tile. These SRO Rooms are permanent affordable housing, not a transitional shelter. The finish flooring should meet the same scope of work standard as all affordable housing developments, including Supportive Housing, reviewed by CB4 in the past 10 years. CB4 requests the SRO rooms be treated as permanent housing with oak wood flooring throughout.
- Ceiling fans should be included in every room to ensure tenants who cannot afford air conditioners have an adequate means of air circulation during the summer.

Common Areas

- Currently the 332 fire stairs are scheduled to be fully replaced with wooden stairs being partially retained in 330. Both sets of fire stairs in 330 and 332 should be fully replaced with steel fire stairs.
- Installation of laundry facilities with 3 washers and 2 dryers is not sufficient for 112 SRO tenants. The Lantern Group should include at least 6 washers and dryers to bring the ratio of washers and dryers to one for every 20 tenants.
- The plans indicate a front desk but also an intercom system with an exterior panel. Lantern indicated that the front desk would not necessarily be staffed at all times. An intercom and an unstaffed front desk is not acceptable means of security for this Supportive Housing development. In the past 20 years, CB4 has welcomed numerous Supportive Housing developments to the District. Key elements of their success derives from well-run Social Services and 24 hour/7day front desk security, especially needed in developments which include for housing for persons with mental illness. Initially, 330-332 West 51st Street will house at least 60 homeless persons with chronic and persistent mental illness. To ensure their success in this permanent housing, there must a front desk staffed 24/7.

Tenant Safety Plan

• A tenant safety plan, to address the possibility of the 6 remaining tenants of 330 staying in place during construction was also presented. The plan detailed the Construction Zone and the Tenant Safety Zone for each phase of construction. However, the plan was found to be inaccurate with an occupied SRO Room designated as vacant. CB4 requests the plan be corrected, and include shared corridor bathrooms have limited keyed access to remaining tenants to prevent construction workers from using them.

Tenant Selection

 CB4 requested that local residents receive this preference for 50% of the vacant lowincome community SRO Rooms. Both Lantern and HPD stated that preference is city policy

Lack of Adequate Tenant Communication and Information

- Preparatory to the start of construction, asbestos abatement was undertaken in the cellar without a permit displayed or notification provided to the tenants. This work was conducted late in the afternoon noon into the late evening. CB4 has found that the asbestos removal contractor, NAB Contractors, has had a number of New York State Department of Environmental Conservation violations issued at other work sites for the improper removal of asbestos.
- Notices with information are posted without a Lantern letterhead or staff member attribution.
- Tenant meetings are rarely held.

Existing Building Conditions & Tenant Concerns

- The buildings do not have *address numbers* on the doors or facades. CB4 request numbers be installed.
- The *front entry door lock at 330 West 51st Street* does not properly latch compromising tenant safety. CB4 requests the door and/or lock to be repaired immediately.
- The buildings previously had a *staffed onsite office* which gave the tenants a direct point of contact with management, enabled reporting of repairs or work orders needed, recording of tenant to tenant issues to be noted and resolved and provided package delivery. CB4 requests the existing service of this office and staff be restored.
- The buildings previously had an *onsite resident superintendent* for cleaning and repairs. The superintendent was terminated and superintendent services were shared with a Lantern building on the Upper West Side, then that superintendent was also terminated. CB4 requests the existing service of an onsite resident superintendent be restored.
- Public corridor shared bathrooms are irregularly cleaned during the week and not cleaned on weekends. CB4 requests a 7 day a week bathroom cleaning schedule be established and posted.
- Some bathrooms have consistent leaks and mold has appeared and been treated in several bathrooms. *CB4 requests the source of the bathroom leaks be investigated, repaired, the sheetrock be removed and replaced and the mold abated.* Lantern must maintain basic warranty of habitability in the occupied portions of the buildings during construction.

- Extermination has become erratic with vermin prevalent in both buildings. Further, a specific SRO Room is infested with bedbugs. CB4 requests regular extermination be reinstated and Lantern engage the tenant with the bedbug infestation with its Social Services division to resolve the problem.
- Water treatment has ceased. *CB4 requests water treatment is reinstated* until the renovation is complete to mitigate the condition of the water due the age of the plumbing.
- The Lantern Group has registered higher than legal Rent Stabilized rents and sought Rent Stabilized Rent Increases with Division of Housing and Community Renewal (DHCR) notwithstanding the increases for Hotel Stabilization have been set by DHCR at 0%. CB4 requests HPD review all of Lantern's DHCR registrations for the past 3 years, and direct Lantern to correct DHCR registrations in compliance with law and annual percentage increases as set by the Rent Guideline Board.
- Social services are not currently available at the building. Given the current tenant population's needs, especially in navigating temporary relocation and ongoing construction, CB4 requests Lantern immediately provide limited social services for the duration of the construction.

Ongoing Resolution of Tenant and Building Service Issues

Given the ongoing series of tenant, building services and construction issues, at the January 15th meeting, *CB4 requested and Lantern has agreed to establish a Community Advisory Board* (*CAB*) for 333-332 West 51st Street. The 330-332 CAB will act as a problem solving body to address the above and future issues faced by the tenant's resultant from the proposed Supportive Housing Development. The CAB will include representatives from CB4, Building Tenants, HPD, HCC and Lantern. The first CAB meeting will be scheduled for February 2015. Thereafter, the CAB will meet monthly.

Meeting the Affordable Housing Requirements of WRY POA

Despite the multitude of new matters regarding the proposed renovation Scope of Work, Tenant and Building Service Issues and the history of Lantern's poor communication to both the Tenants and CB4, the Board remains committed and hopeful that this proposed Supportive Housing development by Lantern can be modified and adjusted to meet CB4's standards for permanent affordable housing.

However the intrinsic limitations of the project budget, the fact that DOB plans have been filed and approved and the construction financing being closed, coupled with both HPD's and Lantern's often quoted position that the development is a "SRO Preservation" project, not a gut renovation, has led the Board to conclude, this development cannot be a part of the Affordable Housing Commitments of WRY POA.

There is simply no justification for not producing the highest quality permanent affordable housing as part of an agreement for the 2009 Western Railyards Rezoning, which is set to produce the highest concentration and some of the highest end luxury housing in the City of New York. As noted in the beginning of this letter, the WRY POA stated:

"HPD will use its programs to acquire and rehabilitate these SRO units"

Therefore, CB4 requests to start afresh and work with HPD on identifying SRO Preservation sites and sponsors to preserve and rehabilitate 150 SRO units in Manhattan Community District #4. We are certain of success, given CB4's 25 year successful collaboration with HPD over multiple Mayoral administrations. We look forward to this current challenge.

Sincerely,

Christine Berthet

Chair

Joe Restuccia Co-Chair

Housing, Health and

Human Services Committee

[Signed 2/13/2015]

Barbara Davis

Co-Chair

Housing, Health and

Human Services Committee

enclosure

cc: Jessica Katz, NYC Department of Housing Preservation and Development

Raymond Hodges, NYC Department of Housing Preservation and Development

Congressman Jerrold Nadler

NYS Senator Brad Hoylman

NYS Assembly Member Richard Gottfried

Council Member Gale A. Brewer

NYC Council Member Corey Johnson

Rafal Markwat, Lantern Organization

Sarah Desmond, Executive Director, Housing Conservation Coordinators

1625

CITY OF NEW YORK MANHATTAN COMMUNITY BOARD FOUR

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CHRISTINE BERTHET
Chair

JESSE R. BODINE District Manager

December 17, 2014

Ms. Vicki Been Commissioner NYC Department of Housing Preservation and Development 100 Gold Street New York, NY 10038

Re: The Lantern Organization aka Stardom HDFC

SRO Preservation 330-332 West 51st Street

Dear Commissioner Been:

At the November 19, 2014 meeting of Manhattan Community Board 4's ("CB4") Housing, Health and Human Services ("HH&HS") Committee, tenants of 330-332 West 51st Street attended to reiterate their concerns about the existing substandard and potentially hazardous conditions that exist at the premises. 330 and 332 West 51 Street are two five-story tenements located on the south side of West 51st Street between Eighth and Ninth Avenues and have been owned and managed by The Lantern Organization ("Lantern") since 2011. Over the past few years, the tenants have attended a number of CB4 meetings to express their concerns over continued mismanagement, protracted delays and lack of oversight in building renovations and most importantly to express concerns about their personal safety during construction in the absence of an approved Tenant Safety Plan. Their concerns are detailed more fully below. Having heard the tenants on each of the occasions, the Board shares their concerns and requests HPD's active engagement and intervention.

Background

The buildings, 330 and 332 West 51st Street were acquired by Lantern in 2011 as part of the Single Room Occupancy ("SRO") Preservation commitments made in the December 2009 Western Rail Yards Points of Agreement ("WRY POA") between the Mayor and the City Council. On September 20, 2012, Lantern came to CB4 and presented an application to renovate the building. CB4, in its resolution dated October 3, 2012 (copy attached) opposed the application because the proposed scope of the rehabilitation was insufficient to produce long term quality SRO units. Preservation of SRO buildings as a permanent source of affordable housing has long been a priority of CB4. CB4 strongly supports the gut renovation and preservation of 330-332 West 51st Street as affordable housing and believes that full renovation

of these buildings can provide high quality housing for community residents and those who need social services.

When redevelopment of the Western Rail Yards is complete, it will contain some of the highest income luxury units in New York City. Housing produced off-site pursuant to the WRY POA is a community benefit of the Western Rail Yards redevelopment and, as such, should be of the highest quality. CB4 has gone on tours of these buildings and they contain a total of 142 units in two five-story walkups, have single rooms off of a corridor which are undersized both functionally and for Code-compliance, and are in overall extremely poor condition. Therefore, the current layout of these SRO buildings is obsolete and cannot support functional affordable housing. While preservation of these buildings is an opportunity to renovate valuable units, CB4 can only support the highest standard of renovation. On this basis, CB4 in its initial resolution dated October 3, 2012, provided numerous conditions which must be satisfied before offering its support for this project. Those conditions are excerpted below:

Full Relocation

• CB4 requested full relocation of the existing tenants via relocation agreements that have been negotiated and executed prior to the commencement of the renovation of each building.

Legal Assistance

Housing Conservation Coordinators (HCC) has worked with the existing tenants to
resolve relocation issues and CB4 has found HCC to be helpful in negotiating and
resolving temporary relocation issues in other affordable housing projects in
Chelsea/Hell's Kitchen. Thus, CB4 urged Lantern to engage with HCC on this project.

Maintaining Adequate Vacancies for Relocation

• While Lantern informed CB4 in 2012 that is was no longer renting units in these buildings, HCC met with tenants who claimed they had moved into the buildings within the last two weeks and a tenant informed the Board at the Committee meeting that she had moved in two weeks prior.

Layout

- The plans presented to the Board in 2012 showed six residents sharing one bath; this is not sufficient. CB4 recommends suite arrangements with a maximum of two or three units clustered around a shared kitchen and bath;
- According to the plans, many of the rooms were undersized. Rooms should be a minimum of 150 square feet;
- CB4 understands that layout changes and room reconfiguration will result in a reduction in the unit count but the Board supports high quality housing over high unit counts; and
- Lantern has presented plans to have a community facility space as part of the renovation. If community facility space is included as part of the project, it should have a separate

entrance and be completely functionally separate from the residential space and any program space used by the residents of the building.

Scope of work

- The scope of work should be a full gut renovation including new finishes and mechanical systems, reconfiguration of rooms to suite arrangements, an on-site laundry room and community facility space for on-site supportive services; and
- All bathrooms should be either ADA-adaptable or ADA-accessible.

Tenant Selection

• CB4 requested that community residents receive preference for low-income community units.

The above recommendations were provided to the Department of Housing Preservation and Development (HPD) on October 3, 2012.

Current Tenant Issues

The tenants who attended the HH&HS meeting last month expressed a range of concerns related to day-to-day management of the buildings and deteriorating living conditions, to very real concerns about their safety if and when construction ever begins. Furthermore, although no permits have been issued for the renovation of the premises, it was brought to the Board's attention by the Tenants that work is apparently being done at the premises and has created the following issues:

- In anticipation of "imminent" construction, approximately twelve tenants of 330 West 51 Street relocated to the adjoining building at 332 West 51 Street approximately fourteen months ago. The relocation agreements provided that the tenants would return to their renovated SRO units within twelve months, with the latest date being December 2014. As a result, tenants have been living for the past year in temporary units, waiting to return to their permanent units. Meanwhile, the renovations have not yet officially started.
- At the present time, there remain six tenants living in 330 West 51 Street. The conditions
 at this building have deteriorated substantially and construction has not officially
 commenced.
- A total of forty-five tenants are currently living in 332 West 51 Street, including the twelve tenants relocated from 330 West 51 Street. A number of complaints including but not limited to vermin infestation, lack of building services, non-working bathrooms and sporadic hot water have been brought to the Board's attention.
- An illegal eviction of a tenant from 330 West 51 Street occurred on October 29, 2014, apparently the result on an internal error. The Board notes that while the tenant's room

was later restored by Lantern, had there been engaged management on-site, this would not have occurred.

- Extermination services have ceased with issues of vermin prevalent in both the buildings.
- Asbestos abatement was apparently performed in the cellars of both 330 and 332 West 51
 Street without a permit displayed and with NO notice to the tenants. This work was
 undertaken late in the afternoon into the late evening. The Board understands that the
 work is being done by MAB Renovation Group, a contractor that has accrued a number
 of asbestos-related violations at other job sites.
- Representatives of Council Member Corey Johnson's office attempted to inspect the buildings on 10/28/2014. The inspection was deemed unsuccessful given a number of areas were locked and inaccessible for inspection. The Tenants believe that specific rooms were locked because of the substandard conditions of those areas.
- No Tenant Safety Plan has been presented to the Board, posted at the building site or reviewed with the tenants with respect to occupancy during construction. In addition, since the DOB-approved application indicates that the two buildings will be combined into one structure during construction, then as long as any tenants remain in either 330 or 332 West 51 Street, the premises must be treated as if it is one occupied structure with the appropriate Tenant Safety Plan in effect.
- Finally the tenants report that the legal registered rent listed on the annual rent registrations filed by Lantern with the NYS Homes and Community Renewal (HCR) includes a rent increase equal to that approved by the Rent Guidelines Board (RGB) for apartments. However, since the RGB approved a 0% rent increase for Single Room Occupancy (SRO) units, the legal regulated rent should remain unchanged.

Additional CB4 Concerns

CB4 acknowledges the severity of the above issues being faced by the Tenants at the buildings and has concerns for their well-being and safety. CB4 is therefore requesting an urgent meeting with representatives of HPD's Supportive Housing Program to discuss these concerns.

In addition, the project site is located in the Preservation Area of the Special Clinton District and has a lengthy history of harassment, extending back at least four decades. Under the Zoning Resolution Section 96-110, property owners seeking to significantly alter a building located in the Preservation Area must first obtain a Certificate of No Harassment, or in the event that harassment can be documented, a Certification of Cure of Harassment. CB4 is gravely concerned that the Lantern Organization has not yet filed a Lower Income Housing Plan as a "cure" to the harassment that has occurred at the premises and that no plan has been presented to date to CB4 for review as is required. A "cure" for harassment would ensure that these units remain affordable in perpetuity and that the rights of the tenants are protected.

Given the seriousness of the issues stated above, and the inadequate or no response by The Lantern Organization and HPD, the Board requests an expedited meeting with representatives from HPD's Supportive Housing Program to resolve the abovementioned issues, and further that HPD and the Lantern Organization both attend the next meeting of the Housing Health and Human Services Committee of CB4 on January 15, 2015.

Sincerely,

Christine Berthet

Chair

Jesse R. Bodine District Manager

Cc: Manhattan Borough President Gale A. Brewer

NYC Councilmember Corey Johnson

NYS Assemblymember Richard Gottfried

NYS Senator Brad Holyman

U.S. Congressman Jerrold Nadler

Rafal Markwat, Lantern Organization

Jessica Katz, NYC Department of Housing Preservation and Development

Raymond Hodges, NYC Department of Housing Preservation and Development

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.nyc.gov/mcb4

JOHN WEIS Chair

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

June 1, 2011

Jessica Katz Executive Director Lantern Organization 49 West 37th Street 12th Floor New York, NY 10018

Re: Western Railyards Affordable Housing Commitments

SRO Preservation 330-332 West 51st Street

Dear Ms. Katz:

Thank you for attending the May 19, 2011 meeting of the Housing Health & Human Services (HHHS) Committee of Manhattan Community Board 4 (CB4) to discuss your preliminary plans for SRO Preservation as detailed in the Western Rail Yards Points of Agreement ("WRY SRO Preservation") at 330-332 West 51st Street (the "Site"). CB4 appreciates the Lantern Organization's ("Lantern") commitment to providing affordable housing for Clinton residents and willingness to engage with the existing tenants during this transition period.

Background

As part of the Western Rail Yards Points of Agreement that were executed in 2009 (attached), the Department of Housing Preservation and Development (HPD) committed to work with the City Council to preserve up to 150 units of privately owned Single Room Occupancy (SRO) units. To help accomplish that commitment, CB4 and HPD reached out to Lantern to engage in those preservation efforts. While Lantern, a not-for-profit organization, has not yet undertaken any projects in Community District 4, Lantern has already preserved four other SRO buildings, including buildings in neighboring Community District 7. CB4 looks forward to working with Lantern to preserve these SRO units in the Clinton community.

The Site consists of two adjacent buildings with approximately 140 units, of which 90% are occupied both of which are five story walk-ups. Lantern is currently in contract to buy the Site and took over management of the Site approximately 45 days ago. If Lantern does opt to buy the Site, plans are to close in fall of 2011 and to begin construction approximately one year later.

Tenant Concerns

Bennett Baumer of Housing Conservation Coordinators (HCC) and several tenants of the Site were in attendance at the meeting to discuss tenant concerns. CB4 appreciates that Lantern just took over management of the Site recently. We understand in a transition process many issues still need to be sorted out. However, CB4 considers it important to set times for the distribution of information and deadlines for when answers should be received in order to ensure that questions get answered sooner than later.

• Existing Tenants

• Existing tenants, who are in good standing, will remain in residence regardless of what subsidies or programming for rehabilitation Lantern decides to pursue

Rent Billing

- o Lantern agreed to accept weekly as well as monthly payments
- o Lantern stated they do not charge late fees or interest on late rent
- Lantern will modify rent bills to indicate weekly payments, to not show late charges and to not show timely payments as past due therefore jeopardizing ability to apply for affordable housing at other locations
- Lantern has agreed to set June 30, 2011 as the deadline to resolve all billing issues so that the July rent bills will be correct

• Building Maintenance

- o The tenants are pleased that mailboxes have been installed
- Tenants noted that bathrooms are not being cleaned daily and public areas are not being swept regularly and Lantern agreed to speak to their porter staff and remedy the problem
- o Lantern agreed to engage an exterminator for both the individual units and the public areas

• Communication

- Lantern has appointed Julius Lamar as the point person to manage building complaints and inquiries
- o HCC, Lantern, and the tenants are organizing a meeting prior to June 15, 2011 to discuss tenant concerns in further detail
- Lantern has agreed to conduct door to door outreach to meet the tenants
- o Lantern has agreed to arrange a tour for the tenants and CB4 to view a completed building that Lantern owns and manages

• Proposed Renovation and Relocation

- Lantern will try to minimize the tenant disturbance phase but temporary relocation will be necessary during construction
 - Lantern will attempt to temporarily relocate only between the two buildings and not off-site
 - All tenants will have written relocation agreements
- o The relocation will be at Lantern's expense and will be of no cost to the tenants
- Lantern is exploring the possibility of installing either shared kitchens or kitchenette units within the SRO rooms

Community Board Concerns

Building Rehabilitation

Lantern has been discussing a budget with HPD and is currently in the information gathering stage. Upon initial review, Lantern's engineer has determined that the existing buildings are structurally sound.

As this WRY SRO Preservation comes out of an affordable housing commitment agreed to by the City in the course of the Western Rail Yards rezoning, CB4 wants to ensure the units that are preserved are of the highest quality. These SRO units should represent a long term investment in affordable housing in our community. CB4 appreciates the desire to preserve the large number of units that these two buildings contain, however the goal is not to preserve outmoded arrangements but instead to create highly livable units. Therefore, CB4 is interested in creating:

- Larger, more livable rooms
- Better kitchen facilities
- More bathrooms
- ADA accessible units

CB4 appreciates Lantern's willingness to engage with the tenants and respond to their concerns. CB4 is looking forward to working with Lantern to preserve these WRY SRO Preservation units.

Sincerely,

John Weis, Chair

Ale Sliver

Manhattan Community Board 4

cc: R. Visnauskas, Deputy Commissioner for Development, HPD

T. O'Hanlon, Assistant Commissioner, Supportive Housing, HPD

NYC Council Speaker Christine Quinn

NYS Senator Thomas K. Duane

NYS Assemblyman Richard Gottfried

Congressman Jerrold Nadler

Manhattan Borough President Scott Stringer