
Subject: Westview Building Affordability Plan Approval

From: WestView Task Force (admin@westviewtaskforceinc.org)

To: Ruthanne.Visnauskas@nyshcr.org;

Cc: mark.colon@nyshcr.org; dbhirsch@optonline.net; seawright@assembly.state.ny.us; dlb@gdblaw.com; plm@gdblaw.com; susan.rosenthal@rioc.ny.gov; serrano@nysenate.gov; Betsy.Mallow@nyshcr.org;

Date: Friday, November 3, 2017 1:06 PM

To: RuthAnne Visnauskas, Commissioner/CEO NYS HCR
25 Beaver Street
New York, NY 10004

From: Westview Taskforce, Inc.
625/595 Main Street
Roosevelt Island, NY 10044

November 3, 2017

Dear Commissioner Visnauskas,

Westview Taskforce Inc. (WTI) represents all tenants at the Westview Building (WV) on Roosevelt Island. We are writing to you to provide a tenant perspective in the hope that we can help end the uncertainty concerning the future of our homes. We appreciate the efforts invested by HCR over the years in pursuing an affordable solution following the ML dissolution at WV.

The issues are not simple, however, WTI, HCR and Sponsor have always worked under the premise that WV would follow in the exact footsteps of our sister building Island House (IH) whose Affordability Plan was approved by the agencies and NYS AG a few year ago. This is important as residents of both buildings are similar and comprised of tenants with comparable income levels. From a community standpoint both buildings must be treated equally.

Last SEPT (2016) Westview tenants overwhelmingly approved the "Final Affordability Plan" for withdrawal from ML program and affordable transition to COOP. The Plan had been previously reviewed and acknowledged by NYS agencies including HCR and RIOC. We were promised by both RIOC and HCR that the WV ground lease modification would be signed quickly but this did not happen. Over one year has now passed.

We recently learned from the Sponsor that negotiations regarding the future of Westview are very close to being concluded. We were cc'd on an email sent by Sponsor to HCR on 10/27 and would like make the following comments:

We wholeheartedly welcome arrangements for immediate Sponsor's control over commercial space at Westview because, as you probably know, the commercial spaces on RI have been subject to mismanagement and neglect over past years. Main Street on Roosevelt Island is no better off now than years ago when the revitalization plan was implemented.

At the same time, we are very concerned to learn about the proposed 38% increase in annual ground rent for Westview vs the IH ground rent. The approved SEPT 2016 "Final Affordability Plan" included ground rent identical to IH. RIOC President Susan Rosenthal explained to us that the real estate market prices on RI have

increased since the IH deal thus WV ground rent should be increased accordingly. We believe that market considerations should not be part of this discussion.

The WV Affordability Plan, similar to the IH plan, has nothing to do with current market prices on Roosevelt Island and must be approached from an affordability standpoint. The proposed 38% increase in annual ground rent for WV will unjustly result in higher maintenance costs for WV residents vs IH thus making WV less affordable. WV and IH are linked at the hip and identical and must be treated in similar fashion due to comparable income levels of residents and essentially identical restricted plans.

Additionally, this proposed ground rent increase is inconsistent with our understanding, following discussions with the agencies leading up to the tenant approval of the SEPT/2016 plan, that the outcome of negotiations between Sponsor and State agencies would not affect any terms relating to affordability for tenants. Our understanding is that the SEPT/2016 terms to tenants would not be affected in any way.

We therefore ask you to review and remedy this matter by setting the ground rent for WV to its original level (identical to IH).

Finally, with interest rates on the rise, we are very concerned that with every day that goes by without NYS approvals, our situation becomes less affordable. Please remember that the long term financial stability of the building as well as the sustainability of rent protections, are both directly related to level of participation. If participation at WV is lower than original projections, shortfalls in funding for future building repairs will necessitate significant MCI surcharges to renters.

We would like to thank you and your team for your continued efforts in finalizing the Affordability Plan for Westview. Time is of the essence and we hope to hear from HCR soon.

Sincerely,

Opher Pail, Johan Marfey, Tad Sudol
Westview Taskforce Inc., Co-Chairs

CC:
Betsy Mallow, Executive Deputy Commissioner/COO NYS HCR
Mark Colon, President, Office of Housing Preservation NYS HCR
Susan Rosenthal, RIOC President
Rebecca Seawright, NYS Assembly Member
Jose Serrano, NYS Senator
David Hirschhorn, Sponsor
David Berkey, Esq.
Perry Mintz, Esq.



Virus-free. www.avast.com