

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
ST. MARTIN'S HOUSING CORPORATION
Held on: August 23, 2023, at: 8:00 pm

The meeting was held virtually, using the Zoom platform, pursuant to notice duly given in accordance with law and the By-laws of the Corporation.

Directors Present: Nancy Brandon, Diana Farkas, Gina Gurin, Erica Martell, David Owens, Marianne Zarcadoolas, Constance Zigouras

Directors Absent: Debbie Rudt

Also In Attendance: Latisha Gaines- Metro Management Inc.

Karol S. Robinson, Esq., (Herrick, Feinstein LLP) Corporate Attorney

Mr. David Owens, Board President, called the meeting to order at 7:15 PM via Zoom Link.

Marianne Zarcadoolas, Board Secretary, recorded the minutes.

1. Board Minutes- Jan. Feb. April Minutes and Summary of 2023 Motions, are on building link/ Office

2. NEW MANAGEMENT

a. Metro Management- As of August 1, 2023

a. *David Baron* President

b. *Latisha Gaines* Managing Agent lgaines@metromanagementdev.com **212-496-6428**

Office Hours are Tuesday & Friday 9am-5pm (For Aug)

Office Hours Tuesday 9am-5pm & Fridays 9am-1am (Starting in Sept.)

▪ **RATIONAL FOR NEW MANAGEMENT**

• **Tudor Pre-First Service-** 3 major issues

- Difficulty getting information- 2 biggest issues.
 - Monthly Management reports sporadic at best
 - Information for our loan
- Non-responsive to Shareholders and the Board
- Nonpayment of bills

• **Tudor Post FirstService**

- All the above in addition to the following:
- No financial statement prepared.
 - Andrew Lazeras just said, "Mary Francis, just didn't do it."
 - Miscalculations of first sales accounts.
 - Duplicate payments to our utility companies.
 - Misallocation of equity funds into our operating accounts.
 - Not forwarding the rent roll and other critical information to our election company, causing yet another delay of our annual meeting.

3. Which brings us to where we are today—

- a. Metro has just received the income affidavits from First Service and maintenance will be calculated based on this information very soon.
- b. Candidates Night: Wed. Oct. 11th @ 7pm
- c. Annual Meeting: Wed. Oct 18th @ 7pm
- d. Board of Directors' Elections: Thursday Oct. 19th 3pm-9pm In Lobby
- e. We need to hire an outside agency (Honest Ballot) to run the elections – cost approximately \$5000.

4. **Certified Financial Statements** will be distributed before the Annual Meeting
5. **Refinancing- NCB Bank (National Cooperative Bank)**
 - a. The bank's underwriters approved our loan application for \$11M, and 2 weeks ago, NCB sent us a formal commitment letter.
 - b. Karol Robinson, our general counsel, reviewed the document, and after notes back and forth, presented the board with a copy of the letter for our review.
 - c. Last week, the Board met, and went over the terms, and passed a motion to accept the terms of the commitment letter but modified the loan amount to \$8 million.
 - d. Next stage- We will sign the commitment letter and send an earnest deposit to NCB.
 - e. The rate is not locked in until closing.
6. **Capital Projects- John Cocco, WJE (Engineers)- Revised cost estimates for the following projects:**
 - a. Facade Repairs: Based on bid from Skyline (add contingency and EOR Costs): \$1,437,500
 - b. Complete Roof Replacement: WJE estimate: \$862,500.
 - c. Initial Parking Garage Repairs for LL126 Filings: \$250,000
 - d. Parking Garage Repairs: WJE estimate: \$1,000,000 (Over next 5 years)
 - e. Window Replacement: WJE estimate: \$4,600,000 (an FYI)
7. **Façade Updates - Façade Inspection Safety Program (FISP)-Cycle 8 repairs and Cycle 9 Inspection**
 - a. FISP: Filing paperwork is required asap. As part of the filing, WJE needs to provide the DOB with an update on timing of the planned FISP work and a planned schedule. WJE asked us to sign the attached letter, and WJE provided the attached letter from them to DOB which includes a status update and proposed timeline that they want to notify DOB about.
8. **Roof Drawings:**
 - a. The proposed roof drawings have been completed, per WJE. When we get closer to closing on our loan, we will send the roof, and other capital projects out to bid.
9. **Garage/terrace repairs-** WJE has the drawing, according to John Cocco.
10. **Soil Vapor Project Completed**
11. **Treasurer's Report- Pending** (based on the transition to Metro)
12. **Arrears Report-**
 - a. Arrears Report- April. \$176,996.83 (9 Apartments) vs. Aug. \$204,818.58 (13 Apartments)
Change= +15.7% (some arrears are due to accounting errors but we are keeping them on arrears until we get everything straightened out)
13. **Clothing Recycling Bin in Subcellar-** Bi-Weekly Pickups
 - a. Please place items for recycling in the bin. All other stuff goes in the back hallway.
14. **Laundry Room-** Hercules came back and completed the waterproofing of the floor.
15. **Vacancy Report-** Six Vacant Apartments
 - a. 9A- Awaiting Responses from offers that were sent out.
 - b. 3E- Just surrendered.
 - c. 16A- Just surrendered.
 - d. 20B- Just surrendered.
 - e. 22C- Internal transfer.
 - f. 24C- Just surrendered.
 - b. Latisha Gaines will get the internal/external lists updated and offer out vacancies accordingly.
16. **New Water Heater-Installed-** Fred Smith \$42,990

17. Social Committee- David Owens

- a. Movie Night Restart- Sept. 22

18. Community Room is open to reserve (forms in office must be completed.)

- a. Terrance cannot be reserved. Always open to the public.

19. Gardening Committee – Contact Erica Martell to help with watering.

20. Staff Meeting- Latisha Gaines and 2 board members had a meeting with staff to go over everyone's jobs and responsibilities.

- a. All side work must go thru the Office of the Super.
- b. New Work Orders- All work must have an account trail in BuildingLink.
- c. Latisha Gaines produced new paperwork order tickets for residents that don't have access to BuildingLink. All requests must be made on BuildingLink or with a paper order which is available from the Super.
- d. Latisha Gaines will generate a price list to ensure that all side work is priced out fairly and uniformly for work that is being done in shareholders apt. that is not the building's responsibility.

21. NORC—Check the Building Link Calendar

- a. Connie Zigouras is the board liaison.
- b. Kathleen Iverson, LCSW Hours 10am-4pm on Mondays smtnorc@jasa.org
 - a. Programs
 - 1. Integrated Writing Workshop- Mondays Via Zoom 6pm
 - 2. Exercise for Arthritis Management- Thursdays 4pm –Register

22. Letters Under the Door

- a. D. Owens raised objections to the flyer placed under apartment doors by Adele Niederman. *He asked what does "Right to transparent governance" refers to in her flyer.*

AN responded- new ML law states that shareholders have the right to listen in on all meetings of the Board. We are only just learning about the issues with mismanagement, and why did board choose to take \$8 million instead of \$11. These are the issues the shareholders should be listening in on.
- b. DO responded *that at every board meeting we have stated that we were having lots of troubles with the management company. We have many people participating in board meetings. Why are you stating in this flyer that the law is being violated?*

AN: Shareholders have the right to observe all motions.
- c. DO: *We have met weekly during Covid to keep our coop healthy. It is not possible to assemble an open meeting for all of the times the board meets.*
- d. DO: *You state we have "interests in common." That is not accurate. You are the president of an outside organization (Cooperators For Mitchel-Lama) whose sole purpose is to ensure that our shareholders cannot execute certain rights.*
- e. DO: *We are following every law- you imply we are not. That's a lie and not fair.*
- f. DO: *We are required to have 4 open meetings per year – we've already had 4 meetings and its only August. We have 8-10 every year.*
- g. DO: *You state minutes are not posted, that's a lie. All minutes and motions are posted in BuildingLink and in the office.*
- h. AN: Since the spring what committees have been meeting? Who is on the Financial Committee?

DO: All board members are members of the financial committee. We will be opening up committees to non-board members in the fall now that Covid restrictions have been lifted.

- i. Marianne Zarcadoolas voiced frustration with flyers put under shareholders doors. She stated that the flyers being put under the doors contain many false statements (as explained by David Owens.) She stated that board meetings are the forum for voicing concerns and having questions answered, not by putting flyers under doors and creating a divisive environment in the building.
- j. Karol Robinson wanted to go on record to commend the SMT board for having frequent, open shareholder meetings long before the law required them to do so.

QUESTIONS TO THE BOARD

- 1. How can new residents join in?
 - a. *We are organizing meet and greet for all new members and new management.*
- 2. How do delayed annual meetings affect elections?
 - a. *We will address this in exec session and with HDP. We have been in constant contact with HPD regarding our transition to new management.*
- 3. When will the 2024 annual meeting be?
 - a. *We want to get back on schedule so we would hope it will be in Oct/Nov 2024.*
- 4. Will garage be usable during repairs?
 - a. *A notice will go out well in advance if we must move people's cars out of the way. Latisha and Anderson will work to accommodate us.*
- 5. Why wasn't getting a new management company discussed in open sessions?
 - a. *The Mitchel Lama community is small and it would not be prudent to be discussing in an open session about changing managing agents. The board did a very thorough job in vetting management companies.*
- 6. What is happening with waiting lists for amenities?
 - a. *Waiting lists are now up to date and posted on Building Link and in the super's office. If you believe there is an error, speak with Latisha.*
- 7. Leak still in her ceiling from roof issue.
 - a. *Latisha will look into this. The roof will be replaced once we receive the new mortgage.*
- 8. Why were we not notified that annual elections were delayed?
 - a. *We kept expecting to have the meeting but First Service never came up with the documents we needed. We even hired the ballot company, but it just couldn't happen.*
- 9. Asbestos in ceiling of an apt.
 - a. *Latisha will discuss with shareholder.*
- 10. Are non-board members on Committees?
 - a. *Usually we do have non board members on committees, but during covid we could not. Also, we are expecting to reconstitute committees soon. As soon as we announce them, we will point out who the contact person is, and you can join.*
- 11. Why are you discussing papers under the door in exec. session?

- a. *Counsel will give the board guidance. Why can't the shareholders listen in on this board discussion? Because we may have confidentiality and privacy concerns. We will discuss it in open session at the Board meeting in Sept.*
12. We need more communication in a timely fashion. Regular communication, prior to meeting, meetings set well in advance, how to get in touch with Secretary to raise questions.
- a. *We did this meeting last minute because we have been waiting to get the mortgage commitment letter, and new management before we had a meeting. A Newsletter will be available immediately after this meeting on BuildingLink and at the front desk. It explains everything we have discussed tonight in details.*
13. Work Order- If someone changes a lite bulb will I get charged?
- a. *Latisha- No. But if you need painting and plastering yes. We are looking to make sure that side work gets charged fairly and uniformly. If a toilet or tub needs to be snaked, there may be some minor charge (\$10). Simple maintenance issues like a simple clog, we would expect no charge. Those would be level 1 things, but if you want the toilet replaced that's another thing and you should be charged fairly and uniformly and that would be agreed upon in advance. You always have the option to hire outside people as well.*
14. No information at all to the building about all these major issues, we should have been told what was going on. You should have put out some notices.
- a. *Your point is well taken. We will do better.*
15. Transparency- Years ago we had minutes under the doors, and monthly meetings.
- a. *David we are communicating, but we can do better and we will.*
16. List of Motions – Why did the treasurer and asst treasurer abstain on accepting the \$8 million mortgage?
- a. *Karol- we do not have to disclose "why" an individual board member votes the way they do. We are only required to post the motions and the vote results.*
17. Why has the board stopped using the general email accounts – Can board members be given Board email addresses not personal one? It's not appropriate to use personal email in perpetuity. That account has stopped being used.
- a. *We'll look into this and create something like this. Latisha Gaines will work on this.*
18. Why is the scaffolding up so long?
- a. *By law we had to put it up. We are waiting for the new mortgage to get Local Law 11 to be completed along with the other capital projects.*
19. Erica Martell- Committees and transparency- We cleared 10 spots ourselves because the management agency never did it after years of board requests. It took 2 board members, Eric and Marianne, many months of work. This is not the type of work that a committee could have done.
20. Nancy Brandon- Remember when we had a designated gym and play area. It was a safe, friendly atmosphere. I would like to create an area so that our new residents with small children will have a safe place to play on our 2nd floor terrace.

