

Island House Tenants Association, Inc.

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<http://islandhouse.us>

Date: July 10, 2008

From: IHTA Board

To: Members

Via: Door Drop, Glass-Case Posting, Web Posting

Subject: IHTA Update

Graham Cannon, Chair
Lee Edelman, Vice Chair
Ed Lucas, Vice Chair

Frank Farance, Secretary
Geoffrey Kerr, Treasurer
Renato Folla, Director

Budget Rent Determination Process: As you know, we were able to obtain a two month delay in the budget rent hearing in order to allow us to prepare the best case possible for opposing the Landlord's proposed rent increase. We want to thank all those who worked to achieve this, especially State Assemblyman Micah Kellner, Council Member Jessica Lappin, State Senator Jose Serrano, and Congresswoman Carolyn Maloney. They not only forcefully intervened with DHCR on our behalf but held a special tenant meeting on the Island to provide advice on how to prepare for the hearing.

DHCR Rent Hearing Set for August 12: The DHCR hearing for Island House has been rescheduled for August 12, 4:00pm in the basement of the Church of the Good Shepherd. We'll need as large a tenant turnout as possible. Please do all you can to attend the hearing.

Tenants Planning, Meeting Scheduled for July 17: We are scheduling a special tenant planning meeting for Thursday July 17, 7:00pm in the community room. At that meeting we will update you on the case we will be presenting to DHCR and provide you with specific talking points you can use at the August 12 hearing, along with the individual issues you might want to raise.

Tenant Involvement is Essential, Now we need your help. While the board can prepare the formal arguments, the greatest impact will come from individual tenants making their voices heard to DHCR. We especially need those veteran tenants who've successfully battled BRDs in the past, we are asking directly for your involvement to make this endeavor as successful as possible. We will also be setting up lobby tables the weekend of July 19 and 20 where we will ask you to take a few moments to draft a short letter to DHCR explaining the impact the Landlord's proposed rent increase will have on you and your family. IHTA Director Renato Folla is coordinating the volunteers to speak at the hearing — you can contact him via email at: ihta-director-folla@islandhouse.us

THE MORE OF US THAT SPEAK UP TO DHCR, THE MORE SUCCESSFUL WE WILL BE IN DEFEATING THE LANDLORD'S PROPOSED RENT INCREASE

Update on Negotiations: It's important to note that while we are fighting the Landlord on a rent increase, we have been negotiating together with him and DHCR and have made very significant progress towards an affordable conversion plan. Because of the progress of the negotiations, DHCR has indicated to us that they are not inclined to review the proposed rent increase by itself, and have indicated that, instead, they would do so in the broader context of the conversion program and the overall affordability for tenants under that plan. As we've indicated in previous newsletters, the landlord has formed a partnership with a group of affordable housing specialists and financiers and plans to proceed with an "owner-sponsored" conversion of Island House. The landlord understands that any conversion must comply with DHCR guidelines and be affordable not just for current residents but also possible future building residents. Under this approach, they would initiate and fund the conversion process, directly selling apartments to tenants who wish to purchase and retaining apartments of those tenants who wish to remain as renters. Current renters who choose not to purchase their apartment would have protected rents, along the lines envisaged in all negotiations to date with increases tied to RGB guidelines. DHCR has been extensively involved in our discussions and they have indicated strong support for our first and second generation affordability approach, as have our local elected officials.

As always, please don't hesitate to contact us with questions or concerns at ihta-board@islandhouse.us