

Date: November 21, 2005
From: IHTA Board
To: Members
Subject: Six-Week Update & New Attorney

Dorothy Davis, Chair
Renato Folla, Vice Chair
Lee Edelman, Vice Chair
Frank Farance, Secretary
Lydia Tang, Treasurer
Elizabeth Blair, Director
Graham Cannon, Director
Owen Johnston, Director
Mark Tannen, Director

Dear Neighbor:

Roosevelt Island was once the best kept secret in New York City. However, the major developers of New York City have now discovered our secret. Our way of life is changing fast and like it or not we have to change with it. It is becoming increasingly clear that in the very near future we will need to focus on how we can ensure these changes work best for us so that we can continue living in our unique community on Roosevelt Island. We will have important information to communicate to you at the **Board Meeting tomorrow Tuesday November 21, at 7:30 p.m. in the Island House Community Room and the next Members Meeting Wednesday November 30, at 8:00 p.m. in the Church of the Good Shepherd. We strongly urge you to attend.**

IHTA Board Actions and Activities from October 7 to November 21, 2005:

The IHTA Board was elected on September 30th. Our first Board meeting was October 7th. Our accomplishments on your behalf are as follows:

- Hired Stuart Saft, Esq. of Wolf Haldenstein Adler Freeman & Herz on November 10th
- Based on our continuing meetings with Sheldrake and RIOC, have now ensured that the tenants still have the opportunity to make a deal with Sheldrake given our powerful role in the negotiating process
- Started developing a plan based on our meetings with Sheldrake and RIOC
- Got a 120 day extension from the Attorney General's office
- Developed a structure for the Board that includes committees
- Recruited 15 volunteers
- Reinstated the Floor Captains system and had our first meeting
- Started a fundraising campaign that has yielded \$7,000.00
- Agreed to sign a non-disclosure statement
- Appeared in The Wire and been interviewed by the Real Estate Section of the New York Times
- Conducted a successful transfer of files and knowledge from the former IHTA Board

Why we hired a new lawyer?

After having introductory meetings with Sheldrake and RIOC on October 18 and October 27 respectively, we realized that the conversion of Mitchell-Lama property is a very obscure and specialized area of real estate law in the State of New York. There are only a few lawyers who specialize in this process and each conversion is unique. Given these circumstances, it was critical to have a lawyer who is knowledgeable in the Mitchell-Lama process; respected in the field and at the forefront of making tenant-sensitive deals. We started to assess our current lawyer, Arlo Chase of Nixon Peabody. While engaged in that process we were informed, in our initial meeting with Sheldrake, that Mr. Chase was working for a firm that was known for representing the owners.

Mr. Chase himself subsequently confirmed this when he sent us an e-mail on October 26, stating that Sheldrake had hired his firm to represent them for other Mitchell Lama properties. Although Mr. Chase said in his e-mail that he felt as though he could continue representing us without a conflict of interest, we would have to sign a waiver stating that we did not see this arrangement as a conflict of interest. We ultimately felt that this new development put us in a compromising position vis a vis our negotiations with Sheldrake. As a result of this new information we started our search for a new lawyer.

Several tenants provided us with a variety of Lawyers. To be fair we also interviewed Mr. Chase. In addition we reviewed the list of lawyers on the DHCR site that specialize in Mitchell Lama properties. Lee Edelman and Renato Folla brought Stuart Saft, Esq. to our attention because of his tremendous and successful experience with Mitchell-Lama conversions. Mr. Saft has represented tenants at Rupert Yorkville, Westview and currently Rivercross. He is considered to be one of the foremost legal authorities on Mitchell Lama conversions in New York State. In addition, given the small universe of lawyers involved in this area, he is well known and respected by Sheldrake and RIOC.

The Board interviewed Mr. Saft on November 7th, the Board approved Mr. Saft on November 9, and Mr. Saft was formally engaged on November 11. We were impressed with his attitude that the engagement of the tenants would be a crucial part of his overall strategy. His flexible fee scale and intimate knowledge of Island specific issues made him the obvious choice requiring little startup time and expense. We believe that we have now hired the best legal representation Island House tenants could have in New York City. You will have a chance to meet Mr. Saft and ask him any question you may have at the next Members Meeting taking place on Wednesday, November 30th, at 8:00 p.m. in the Church of the Good Shepherd. **IT'S IN YOUR BEST INTEREST TO ATTEND! PLEASE COME AND BRING YOUR NEIGHBOR!**

Where do we stand on the extension for the Attorney General's office?

With the Attorney General deadline of November 20th fast approaching, Mr. Saft assigned his Associate Joshua Berengarten, to assist Lydia Tang, IHTA Treasurer, to complete this task. We received the extension from the Attorney General on Friday, November 17th.

How productive have the fundraising efforts been?

We want to thank those of you who contributed during our fundraising efforts over the last two weekends. We were able to raise \$7,000 towards our goal of \$27,000. All of those who contributed received receipts within 48 hours thanks to the diligence of Essie Bolden. Even though we have been granted an extension by the Attorney General's office, we still need to raise the remainder as well as more in order to pay the bills we inherited from the previous IHTA board and our current attorney. The final bill for Arlo Chase is roughly \$11,000. The outstanding balance for the engineering report commissioned by the former IHTA Board is approximately \$2,000.00. We want to also thank **Sharon Bermon, Louella Streitz, Nikki Leopold, and Chris Enock** for volunteering to join the Fundraising Committee. They have some very exciting fundraising ideas in store for all of us including going to see our fellow neighbor and IHTA Board member Owen Johnston perform in the *Broadway Musical* RENT.

How can I get involved?

Although the IHTA Board was expanded from five to nine members to spread out the workload, it is clear that we cannot do everything without your assistance and involvement as volunteers. Therefore, as promised, the IHTA Board has created a committee structure that will enable all tenants to contribute their skills, experience and talents by being involved. As Chair of the Volunteer Committee, Renato Folla, has convened the first Floor Captains Meeting and asked **Brian Dorfman** to be the focal point for that group. Meanwhile, he is encouraging all tenants (including teenagers) to volunteer for the committees. So Far 16 tenants have volunteered.

Here is the list of committees and who has volunteered to date:

Capital Investment/Feasibility/Maintenance (Committee Chair, Elizabeth Blair): This committee has a dual role in that it is responsible for examining the physical condition of Island House as well as monitoring the ongoing day-to-day maintenance of the building. The information gathered from the day-to-day maintenance issues of the building assist in determining the physical problems of the building. The new Maintenance Subcommittee Chair is **Yvonne Acosta**. The separate e-mail address for the tenants to report problems regarding the condition of the building and their apartments will be posted on the IHTA website shortly.

Communications (Committee Co-Chairs Owen Johnston and Frank Farence): The Communications Committee is responsible for defining and executing a time sensitive communications strategy through Web site management, Intra-Tenancy Communications (IHTA newsletter and Door Drop), External Communications, coordinates and executes any public relations activities or similar, coordinates with all other committees to gather their information for publishing (events, negotiations, research, etc.), Management of IHTA Events and meetings, provide necessary research for ongoing efforts. Current volunteers include: **Yvonne Acosta and Chris Enock**.

Finance (Committee Chair Lydia Tang): The Finance Committee is overseen by the IHTA Treasurer. This Committee is responsible for managing the accounting requirements of IHTA, keeping track of contributions from tenancy, providing receipts to donors, paying vendors, assessing the financial impact of any negotiation point or decision and providing necessary research for ongoing efforts. Current volunteers include: **Essie Bolden**.

Fundraising (Committee Chair Graham Cannon): The Fundraising Committee is responsible for developing an internal fundraising strategy that will last over the course of this conversion. Some of their tasks is to determine fundraising goal, develop strategies to raise funds from and with tenancy, secure funding sources, provide necessary research for ongoing efforts. Current volunteers include: **Sharon Bermon, Louella Streitz, Niki Leopold, and Chris Enock**.

Legal (Committee Chair Lee Edelman): This Committee is responsible for exploring legal issues that don't require us to seek our paid lawyer. This committee is not involved in the negotiations of the conversion. They provide legal information and guidance around the following issues: Review of lawyers, Conflict of Interest, Ethics issues and Non-Disclosure/Confidentiality issues and provide necessary research for ongoing efforts. Current volunteers include **Jason Mount and Robert (?)**.

Tenant Education (Committee Chair Mark Tannen): The purpose of this committee is to put together periodic (once every two months) information seminars concerning key issues affecting the tenancy. These seminars will enable the tenancy to prepare ourselves for what lies in store for us as we go through this process. Here are some suggestions that have already been presented by an assortment of people: First time buyers, Why buy vs. rent?, Access to Financing through Banking Institutions, Panel consisting of representatives from West Village, Impact on Taxes, etc. Current volunteers include: **Paul Doganges, Travis Perry and Delia Cameo**.

Volunteer (Committee Chair Renato Folla): This Committee is responsible for the recruitment of tenants with the relevant necessary skills to become members of each and all of the committees and volunteer requirements. It is also responsible for recruiting and managing volunteers for the following categories:

- Floor Captains: **Brian Dorfman**, Floor Captain Chair
- General Volunteers: **Florence Diallo, Lucy Ocampo**
- Distribution of Materials: **Anas Dorani**
- Postings (bulletin board, elevators, door stations)
- Events and Meetings Management: prep/cleanup, logistics, managing the door, etc.

How to reach us?

If you want more information, please go to our website at <http://islandhouse.us>. All of the minutes of our meetings, financial statements and other documents are posted there. IHTA Board member Frank Farence is our webmaster. If you want to reach us please send us an e-mail at ihta-board@islandhouse.us or leave a note in the IHTA dropbox in the mailbox area in the lobby of 555. We will respond as soon as possible.