

Date: 2005-11-09

Subject: Draft Minutes of October 26, 2005 Members Meeting

From: Frank Farance, Secretary

1. Call to Order

Mr. Farance (Secretary) stated "Madam Chair, there appears to be quorum of the assembly". (at least 37 members were in attendance)

At 20:08, Ms. Davis called the meeting to order.

2 Adoption of Agenda

Motion made by Frank Farance, seconded by Elizabeth Blair: "Approve agenda with the change: the approval of the minutes will be the first agenda item".

Vote: 45 Yes, 0 No, 1 Abstain

3. Approval of Minutes

Mr. Farance asked if there were any corrections to the minutes. No one reported any corrections.

Motion made by Frank Farance, seconded by Owen Johnston: "Approve June 28, 2005 and September 8, 2005 minutes as presented".

Vote: Unanimous

4. Chair's Report: Accomplishments of Board to Date

Ms. Davis presented a summary of accomplishments. Ms. Davis described each of the committees and encouraged participation. Ms. Davis acknowledged the efforts of Floor Captains and requested additional volunteer help.

Question from Jason Mount: Is there any non-disclosure statement.

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Question from Tim Johns: Are there any non-disclosure agreements with Sheldrake or any discussions of non-disclosure agreements with Sheldrake? Answer by Davis: No.

Question from Mrkic: What about the other agenda items?

Question from Patrick Stewart: What kind corporation is IHTA? Answer by Farance:

Motion by Jason Mount, seconded by Patrick Stewart: All board members will sign a conflict of interest and a non-disclosure agreement prior to substantial communications.

Motion by Frank Farance, seconded by Jason Mount: Amend the motion with the replacement wording "Until formal agreements can be prepared and signed, all board members shall avoid conflicts of interest and shall protect proprietary information as appropriate, according to the laws of the State of New York.

Vote on Amendment: Unanimous

Vote on Amended Motion: Unanimous

5. Treasurer's Report

Ms. Tang gave a walkthrough of the financials. We owe approximately \$10,000 to the attorney and approximately \$2,500 to the engineering firm.

Documents are now available on the web.

6. Status Report of Negotiations

6.1 Components of a Deal

Mr. Edelman explained the components of the deal, including purchase price, reserve, ground lease, and payments in lieu of taxes (PILOT).

Question from Ilan Juran: About the letter from ???

Question from Patrick Stewart: Have you looked into things other than tenant-sponsored conversion and owner-sponsored conversion. Answer: We will investigate.

Question from Patrick Stewart: Do we have legal standing with RIOC? Answer: Legal standing is not an issue per se (legal standing only affects legal action), we need to be involved in the legal negotiations and we need to influence the negotiations.

Tannen: Rich McKirnen at DHCR said Sheldrake has completed 100% purchase of the building.

Davis: The rest of the board is unaware of Mr. Tannen's statements and this is the first time the other board members have heard these statements.

Motion made by Christian ???, seconded by Jean Berut : Postpone the question and answer until after the presentations have completed on this agenda item because the items are intertwined.

Vote: Yes: 23, No: 27, Abstain: 2

6.2 Introductory Meeting with Sheldrake

Ms. Davis summarized the meeting:

IHTA Representatives: Ms. Davis, Mr. Folla, Mr. Edelman

- Sheldrake increased the price from \$295 to \$400 because the prior board did not respond and Sheldrake incurred costs on having to purchase the building.
- Sheldrake wants condos, no co-ops.
- Sheldrake said they had difficulty negotiating with RIOC on the ground lease and Sheldrake requested our (IHTA) help.
- Sheldrake said that ESDC (Empire State Development Corporation) was receptive to negotiating the PILOT payments.

Question from Charles Matterson: Will you take legal counsel to future meetings? Answer: We will take an attorney, as necessary.

Question from Patrick Stewart: Who owns the building? Answer: We are unsure and investigating.

Question from Susan Waide: Why did the price increase by approximately \$100/sq-ft? Answer: It was arbitrary and no particular rationale was provided by Sheldrake.

Question from Yvonne Acosta: Is \$400 the real price? Answer: Don't know what the real price is.

Question from Yvonne Acosta: There is still an opportunity to purchase? Answer: We are investigated.

Question from Jill Burke: Since we are the first client of Arlo's firm, the conflict of interest is with Sheldrake. Response: We need to investigate further.

Question from Tim Johns: Can we distribute the 1972 letter from Sovereign? Answer: We will confirm with our attorney that we can do this.

6.3 Brodsky Hearing and Ground Lease

Mr. Johnston gave a report on the Brodsky hearings. [**** Owen: I need your summary.]

6.4 Introductory Meeting with RIOC

Ms. Davis described the aims of the meeting tomorrow. [**** Dorothy: I need your summary]

6.5 Status of Westview Negotiations

Mr. Folla described the Westview Open House [**** Renato: I need your summary]

7. Going Forward

[**** Graham: I need your comments]

8. Adjournment

Meeting adjourned at 23:30 due to lack of quorum.