

**MINUTES OF PUBLIC MEETING**  
**New York City Loft Board Public Meeting Held at**  
**22 Reade Street, 1<sup>st</sup> Floor**  
**Spector Hall**

**May 19, 2011**

The meeting began at 2:10 p.m. The attendees were Elliott Barowitz, Public Member; Gina Bolden-Rivera, Public Member, Chuck DeLaney, Tenants' Representative, Elena Ferrera, designated for FDNY Representative Chief Spadafora, and Chairperson Robert LiMandri.

Public Member, Leann Shelton and Owners' Representative, Matthew Mayer were absent.

**INTRODUCTION**

**Chairperson Robert LiMandri** introduced himself and welcomed those present to the May 19, 2011 public meeting of the New York City Loft Board.

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**VOTE ON MAY 5, 2011 MINUTES**

**Motion:** Ms. Ferrera moved to accept the May 5, 2011 minutes. Mr. Barowitz seconded the motion.

**Members concurring:** Mr. DeLaney, Chairperson LiMandri, Ms. Bolden-Rivera, Mr. Barowitz, Ms. Ferrera: (5)

Members absent: Mr. Mayer, Ms. Shelton (2)

Members abstain: (0)

Adopted by the Loft Board on May 19, 2011.

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**REPORT OF EXECUTIVE DIRECTOR**

**Ms. Alexander** reported the following:

There are 104 coverage applications, 23 building registrations, and 3 building registrations that have not been processed because they are incomplete.

There are 314 buildings registered with the Loft Board. The legalization spreadsheet was posted on SharePoint and a summary has been distributed to each Board Member. On the spreadsheet, the newly registered buildings are in bright blue so you will be able to follow them as they make their way through the process.

<b>BUILDING SUMMARY</b>	<b>DETAILS</b>
36 (A) Buildings	14 with a final LE pending and 22 that have CO's that are now LE pending.
211 (B) Buildings	30 with TCO's; 74 with 7-B compliance; 4 with 100% of work completed; 101 with permits only; 2 were returned to the narrative statement process.
45 (C) Buildings	16 with certification but no permit; 29 with no certification.
22 (D) Buildings	12 have filed for their alteration application; 10 have not.

The RULE TRACKING CHART has been adjusted and distributed.

**Ms. Alexander** stated that she had posted two cases on SharePoint that answered the Board's question regarding proper notice for subsequent violations in Rule 2-04. The change in language to 2-04 was also posted on SharePoint and was highlighted in yellow. As indicated in the cases, the rule now has the date of posting as the accrual date of the cure period for subsequent violations.

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#### **DISCUSSION AND VOTE ON RULE § 2-01.2**

**Ms. Cruz** discussed the changes made to § 2-01.2 which included the following:

- The Executive Director is given an additional 15 calendar days to review rent adjustment applications.
- Confusing and inaccurate language referring to two schedules of costs were removed.
- Failure to comply with LB removal process after issuance of CO could result in a fine of \$17,500.
- The correct documents must be filed before a building is removed from LB jurisdiction.

**Motion:** Mr. Delaney moved to accept the rule. Ms. Bolden-Rivera seconded the motion.

**Members concurring:** Mr. Barowitz, Mr. DeLaney, Chairperson LiMandri, Ms. Ferrera, Ms. Bolden-Rivera: (5)

Members absent: Mr. Mayer, Ms. Shelton (2)

Members abstain: (0)

Adopted by the Loft Board on May 19, 2011.

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#### **DISCUSSION ON DRAFT RULE § 2-09**

**Ms. Cruz** summarized the proposed substantive changes to rule § 2-09(a-c) which:

- Extends Article 7-C protection to residential occupants in units on June 21, 2010 for units covered under § 281(5).
- Extends 7-C protection of prime lessees to recover an IMD unit under § 281(5) to 90 days after the finding of coverage.
- Applies the same rights and conditions for subletting to units covered under 281(5) as those in place for units covered under § 281(1) and (4).
- Adds a deadline for units covered under § 281(5).
- Adds a deadline to file a Loft Board application to recover subdivided spaces.
- Removed specific references to the interim rent guidelines.
- Adds a deadline for units covered under § 281 (5).

#### **DISCUSSION ON DRAFT RULE § 2-01**

**Ms. Cruz** reviewed changes to Rule § 2-01 which included added language regarding extensions and statutory standards.

The Board requested changes regarding consistent language to topics such as calendar days vs. business days and specifically, the way in which alteration applications are referenced.

## **DISCUSSION ON RULE 2-06**

**Ms. Alexander** advised the Board that it was Corporation Counsel's opinion that the Board is required to create interim rent guideline percentages for the section 281(5) buildings. Assemblyman Vito Lopez has introduced a State bill that includes an exemption for 281(5) buildings from having interim rent guideline raises.

However, as a part of Assemblyman Vito Lopez' clean-up bill for the loft law, his staff has added a provision that exempts 281(5) buildings from having interim rent guidelines raises.

**Ms. Alexander** reported that even though there is a bill pending, because it is not certain that this exemption will ultimately be in the final bill, or that the bill will pass, she has been investigating ways to create an interim rent guideline system that answers the Board's question; if we have to create these percentages – how should it be done?

**Ms. Alexander** located the HUD fair market rent for New York County based on sizes of unit. Ms. Alexander suggested drafting a rule where: 1) the size of the unit, and 2) the rent currently paid are considered. Ms. Alexander indicated that she would preliminarily discuss possible formulas with DOB.

**Mr. Delaney** stated that he did not believe that many members were concerned about size of units or what the rent currently paid was. He related that in drafting the prior rule (2-06) he did not believe the Board used any particular formula in creating the percentage numbers but merely adopted the percentage numbers suggested by the then-Chairman.

**Mr. Barowitz** believed that the HUD guidelines did not fairly represent the fair market rent of the various areas where the lofts are located.

## **DISCUSSION ON RULES § 2-10 & 2-02**

**Mr. Delaney** noted that the rule tracking chart had already been changed to so as to make Rules 2-02 and 2-10 implementing rules. At **Ms. Alexander's** request, he gave a brief description of some of the changes he believed should be considered in amending the two rules.

**Mr. Delaney** suggested that the board review § 2-10 and consider changes to:

- Fines for failure to file with the Loft Board.
- Rules regarding sales of agreements governed under § 281(5)

**Mr. Delaney's** suggestions in regards to § 2-02 included:

- A final decision on fines.
- Simplify pleading requirements in complaints.
- Insert language that will clarify how to determine whether various incidents indicate a pattern of harassment.

The Loft Board staff agreed to review all suggestions and to make changes where applicable.

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**Chairman LiMandri** reminded the Board that Loft Board meetings were scheduled for June 2 and 16, 2011 and July 7 and 21, 2011.

**Chairperson LiMandri** concluded the May 19, 2011 Loft Board public meeting at 4:30 p.m. and thanked everyone for attending. The next public meeting will be held at Spector Hall, 22 Reade Street, on Thursday, June 2, 2011 at 2:00 p.m.