

**MINUTES OF PUBLIC MEETING
New York City Loft Board Public Meeting Held at
22 Reade Street, First Floor
December 28, 2017**

The meeting began at 2:10 p.m.

Attendees: Robert Carver, Esq., Owners' Representative; Elliott Barowitz, Public Member; Richard Roche, Fire Department ex officio; Robinson Hernandez, Manufacturers' Representative; Charles DeLaney, Tenants' Representative, Daniel Schachter, Public Member and Chairperson Designee Renaldo Hylton.

INTRODUCTION

Chairperson Hylton welcomed those present to the December 28, 2017, public meeting of the New York City Loft Board.

Chairperson Hylton asked for corrections or comments on the November 16, 2017, minutes. There were none.

VOTE ON November 16, 2017 MINUTES

Motion: Mr. Barowitz moved to accept the November 16, 2017, meeting minutes. Mr. Carver seconded the motion.

Members Concurring: Mr. Carver, Mr. Barowitz, Mr. Roche, Mr. DeLaney, Chairperson Hylton (5)

Members Abstaining: Mr. Hernandez, Mr. Schachter, (2)

Chairperson Hylton next asked if there were any corrections or comments on the November 30, 2017, public meeting. . **Mr. DeLaney** stated that on page 4, first paragraph we have 53 Pearl Street identified as Peal Street. Page 6 where we are discussing the Saladino case, third big paragraph, fourth sentence "Mr. Roche is in favor or a broader coverage." He presumes that's intended to be "for." He stated he has the feeling these minutes may be read by various people so he wants them to be as clear as possible. Page 7, second paragraph second sentence, he stated the verbs need to agree. **Chairperson Hylton** asked if there were any more corrections. There were none so he asked, with those corrections that Mr. DeLaney pointed out, for a motion to accept the minutes.

VOTE ON November 30, 2017 MINUTES

Motion: Mr. Carver moved to accept the November 30, 2017, meeting minutes. Mr. Hernandez seconded the motion.

Members Concurring: Mr. Carver, Mr. Barowitz, Mr. Roche, Mr. Hernandez, Mr. DeLaney, Chairperson Hylton (6)

Members Abstaining: Mr. Schachter (1)

Chairperson Hylton stated Ms. Balsam will now give her executive director report.

Report of the Executive Director, Ms. Helaine Balsam, Esq.

Ms. Balsam stated that we will report on statistics next month when we will have a year end presentation.

The Board members have received, and she showed the public, a new lobby sign. Loft Board rules require owners to post a sign in the lobby that has information on it. It has been brought to our attention that those signs are probably not posted. Staff reviewed the sign and made it more intuitive and our intention is to send out a notice with a copy of this sign to all of the owners of the building early next year to give them a certain amount of time to post it. Probably 30 days, and then send out our inspector to do some sweeps in neighborhoods to see whether or not the signs are posted. So hopefully this will be helpful to the people that live in the buildings. It gives them contact information and for people in the building that do not realize the building is under the jurisdiction of the Loft Board, this should put them on notice if the sign is posted.

Chairperson Hylton stated he thinks we can also discuss any rule change to make it clear as to where these notices will be posted. **Ms. Balsam** stated right now it just says the lobby. There is a question as to whether or not there even is a lobby. **Chairperson Hylton** stated as we look at rule changes we can look at clarifying where and how we want to see these. He would like to see these in frames for example instead of just pasted on the wall so that it looks more official and people can pay more attention to it.

Ms. Balsam stated in terms of mapping, we are still working on the project, so we haven't forgotten about it. The person that does the mapping who was here is very busy so we are trying to get some of his time. Hopefully we will have that on the website early next year.

And finally in terms of the failure to register cases, a question arose about imposing fines on owners who pay after the cure period in the notices that we send but prior to the Board meeting. For now we are maintaining our status quo which is to withdraw those cases where they have paid in that interim period but as we move forward with the rule making, we may want to think about whether or not that is the right way to go and perhaps impose a mitigated penalty for the people that pay after the cure period but before the meeting. That is something for the Board members to think about for next year.

Chairperson Hylton asked if there are any questions? **Mr. DeLaney** stated, regarding fines in general, the language in the loft law says that the violation of any rule or regulation promulgated shall be punishable by civil penalty determined by the Loft Board not to exceed \$17,500.00, which may be recovered by the municipality by a proceeding in any court of competent jurisdiction. It is his recollection that we have never gone down that road. He asked if that was correct. **Ms. Balsam** responded that her understanding was that at one point the Loft Board debt was actually referred to the Law Department who assigned it to outside collection attorneys, and that there was money collected on that debt but that it was not the full amount of the money owed and it was not a sufficient amount in terms of what the Loft Board staff thought should have been collected. But she was not here during that period and she is getting this information second hand, but at some point in time the debt was actually referred to outside lawyers. What the outside collection lawyers do is they reduce that debt to judgments, and then they negotiate on it. She knows that from working at ECB. **Mr. DeLaney** said thank you. **Chairperson Hylton** asked if there are any more questions for Ms. Balsam.

Chairperson Hylton stated we will now turning to vote on the master calendar cases.

VOTE ON MASTER CALENDAR CASES

Chairperson Hylton stated there are eighteen cases on the Master Calendar. They are all failure to renew registration cases. For cases 2, 8, 9, 10, 11, 13, 14, 15, 16, and 18, the owners renewed their registrations and paid their fees, late charges and applicable fines, so we are removing those dockets and voting on the remaining cases. The remaining number of cases we are going to vote on today is eight. They are:

| | Owners | Address | Docket No. |
|---|--|-------------------------------|------------|
| 1 | Gold Tillary Realty LLC | 170 Tillary Street, Brooklyn | FO-0746 |
| 3 | Thames St. Lofts LLC and Thames Holdings | 13-15 Thames Street, Brooklyn | FO-0750 |

| | | | |
|----|---------------------------------|----------------------------------|---------|
| | LLC | | |
| 4 | 20 Grand LLC | 20 Grand Avenue, Brooklyn | FO-0752 |
| 5 | 307 Scholes Street, LLC | 307-309 Scholes Street, Brooklyn | FO-0753 |
| 6 | 99 Sutton LLC | 99 Sutton Street, Brooklyn | FO-0754 |
| 7 | 25 Jay Street, LLC | 19-27 Jay Street, Brooklyn | FO-0755 |
| 12 | Bridge Associates of SOHO, Inc. | 533 Greenwich Street, Manhattan | FO-0763 |
| 17 | Peter Matera | 187 Duane Street, Manhattan | FO-0779 |

Chairperson Hylton asked if anyone had any comments on the cases. **Mr. Carver** commented that sometimes we have fines that are multiples of the actual fee that's owed. So he would just ask the staff when they go back to rule making to give some more thought as to what a fair level of fine would be and perhaps having multiple levels. **Chairperson Hylton** asked like tiers? **Mr. Carver** stated yes tiers rather. So he just asks that when staff reaches that point to put more thought into it. **Chairperson Hylton** stated we will probably solicit some ideas from Board members. **Mr. Carver** agreed.

Mr. DeLaney made the observation that maintaining your current registration is important so the Board is clear about who the owner is and the 24-7 contact number. He would like to reiterate that not being willing to register your building under this program is not some small issue. It deprives us of the contact and he called out three Owners: Thames Street Holdings has not registered since 2012, so that fiscal 2012 would have ended in June of 2011 correct? So that is 6 years that Thames St. Lofts LLC and Thames Holdings LLC, 13-15 Thames Street has not registered. **Ms. Balsam** stated she did actually get a call from an attorney and the owner wants to do something but she does not know what.

Mr. DeLaney stated continued and cited Bridge Associates of SOHO, Inc., 533 Greenwich Street last registered for fiscal year 2008. So that gives them over ten years of not registering. And Peter Matera who **Mr. DeLaney** thinks has done this before, has not registered since 2014, 187 Duane Street.

In each of these cases it just seems to **Mr. DeLaney** that given that the Loft Board is now part of the Department of Buildings that there should be some way to brainstorm, whether it is specific performance or some other issue, some way to go after these flagrant violators. He stated he can understand, he has had property owners tell him they do not pay their property taxes if they don't have the money because it is a really cheap loan, because the percentage fine is very low. We at the Loft Board are giving these people six months. If they come in as half of them did when we finally notice them, and he thinks all eight of them were after the cure period, they pay up plus a \$25 first month \$5 per month there after fine, we are creating a float for these guys. He thinks the Board should look hard at not excusing them if they go past the cure period, and he thinks the Board should start bringing these cases in August or September rather than this late. He understands that there are manpower issues, but if Owners are not going to register their building then the notion that they are going to legalize it seems highly farfetched particularly these three. The Board should take a good hard look to see if there is something that can be done to address this. He thinks specific performance might be possible. **Chairperson Hylton** stated or possible law department action. **Ms. Balsam** stated we can certainly refer the debt out to the Law Department but she wants to talk to them about what they are going to do with it first. We can certainly talk to them about the debt itself.

Mr. DeLaney stated if a judge ordered him to register and pay his fees he would be held in contempt if he did not pay. **Ms. Balsam** stated we do not have contempt power. **Mr. DeLaney** stated but the court does. And specific performance could put these kinds of cases before the Court. **Ms. Balsam** stated the Law Department has these outside collection attorneys and this is what they do, so we can explore that with them but she just wants to make sure they are not going to settle for pennies on the dollar.

Chairperson Hylton stated there are consequences for not registering such as Owners would not be able to do any work before they get any kind of letter of no objection from us. **Mr. DeLaney** stated any legal work. **Chairperson Hylton** stated legal work thank you.

Mr. Carver noted that although **Mr. DeLaney** said "now that the Loft Board is part of the Buildings Department," he thinks legally that is not correct. **Chairperson Hylton** stated it is legally not correct but DOB supports the Loft Board. **Mr. Carver** stated he understands. The chairman works for the Buildings Department as does the staff, but the Board itself is an agency of the mayor and is independent and also

independent of the Buildings Department. **Chairperson Hylton** stated absolutely. **Mr. DeLaney** asked how Mr. Carver takes the Loft Board to be an agency of the mayor? **Chairperson Hylton** stated it is an independent agency that is supported by the mayor. **Mr. DeLaney** stated it was moved out of the mayor's office, to the Department of Buildings. **Mr. Carver** stated well it happens to live in the Buildings Department but it's not legally attached to the Buildings Department. **Mr. Hernandez** stated for administrative purposes it is managed by the Department of Buildings. This happens with other agencies and mayor's office throughout the city where a specific agency will be responsible for the administrative management of the day to day office functions.

Chairperson Hylton asked if there were any more comments.

As there were no comments, **Chairperson Hylton** asked for a motion to accept these cases.

Motion: Mr. DeLaney moved to accept the proposed orders. Mr. Hernandez seconded the motion.

Members Concurring: Mr. Carver, Mr. Barowitz, Mr. Roche, Mr. Hernandez, Mr. DeLaney, Mr. Schachter, Chairperson Hylton (7).

Chairperson Hylton thanked the Board.

Mr. DeLaney stated he has one question. We had a case that we asked members to affirm the Saladino case. Did that happen? **Ms. Balsam** stated yes, everyone sent in their votes.

Mr. Roche made a general announcement about fire safety for the public, including urging everyone to have carbon monoxide detectors.

Chairperson Hylton thanked everyone and concluded the December 28, 2017, Loft Board public meeting at 2:38 pm. The next public meeting will be held at 22 Reade Street, First Floor on January 18, 2018 at 2:00pm.