

Island House Tenants Association, Inc.

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<http://islandhouse.us>**Date:** December 13, 2006**From:** IHTA Board**To:** Members**Via:** Door Drop, Glass-Case Posting, Web Posting**Subject:** NewsletterDorothy Davis, Chair
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Frank Farance, Secretary
Geoffrey Kerr, TreasurerPaul Doganges, Director
Lee Edelman, Director
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Mark Tannen, Director

HOLIDAYS START WITH ENCOURAGING NEWS!

LOI EXTENDED TO JANUARY 31ST 2007; WITHDRAWAL OF ISLAND HOUSE FROM MITCHELL-LAMA TARGETED FOR MARCH 2007

Thanks to the efforts of our attorney, Stuart Saft, and the arguments that we ourselves provided him for his conversations with Charles Lucido, the managing partner of North Town Phase II, we have been able to secure an extension of our Letter of Intent (LOI) until January 31st, 2007! We had been aggressively negotiating for this extension since early September. This accomplishment took more effort than any in the past because we had to prove that we are making headway in our negotiations with RIOC. For this reason, Mr. Lucido's decision to allow this extension is a very important vote of confidence in our ability to successfully conclude our conversion. However, in the restated Letter of Intent that we signed, Mr. Lucido stipulates that the new date for him to take Island House out of the Mitchell-Lama program is March... 2007.

RIOC'S CONSULTANT CONTRACT EXTENDED FOR 6 MONTHS

In a meeting at the Church of The Good Shepherd on Thursday afternoon, RIOC's board of directors voted to renew RIOC'S contract with their Real Estate consultant, Paul Mas, of Jones Lang LaSalle, for 6 months. In a carefully drawn resolution, the board decided to retain Mas just for the IH and Westview conversions on a retainer rather than just commission basis. It is important to note that in a meeting which was attended by Mr. Lucido himself, RIOC Chairperson, Judith A. Calogero, and other board members made very clear statements in support of our ongoing process for tenant ownership for both buildings.

This was a very important RIOC meeting, there has never been such a clear and unequivocal statement of support of our conversion efforts and the critical difference was you, the tenancy. A number of RIOC members referred to the dozens of letters they had received from the tenancy. Commissioner Calogero herself discussed the urgency of a Ground Lease using language drawn directly from our letters to her. In the words of the Main Street Wire: *"(Calogero) has made it clear that she's in the game, intensely, through December 31, and here, at least, the game is making the moves that will put Island House and Westview into tenant hands. Applause."*

We were also very pleased with the turnout from the Westview Taskforce who held up pro-ownership signs throughout the meeting. Both Island House and Westview now share a common interest in a ground lease agreement with RIOC and we will continue to work together to achieve our shared vision of affordable, fully protected tenant ownership for our buildings.

Next Steps in Negotiations with RIOC

This is NOT the time to rest on our laurels or buy into the fact that we are in holiday season. We are working as hard as we can to come to agreement on the ground rent and TEP as quickly as possible. In fact, we have already re-started our negotiations with RIOC.

AS SOON AS WE HAVE AN AGREEMENT, WE WILL PRESS THE RIOG BOARD FOR AN EMERGENCY MEETING TO VOTE ON THE AGREEMENT. AT THAT TIME, WE WILL ASK FOR YOUR SUPPORT, AGAIN, TO SHOW THE BOARD AND OUR ELECTED AND OTHER KEY OFFICIALS THAT WE NEED AND EXPECT THEM TO DO EVERYTHING IN THEIR POWER TO PROTECT OUR HOMES AND OUR COMMUNITY.

YOUR CONTRIBUTIONS ARE NEEDED NOW MORE THAN EVER!

Just as important as your active, engaged support to put pressure on key individuals at this critical time, so is the need for us to raise money for our ongoing expenses. It has been repeatedly said to us, that our tenants are not contributing at the level of the required commitment for a tenancy who is supposedly willing to buy a building worth tens of millions of dollars. Let's prove them wrong by putting our money where our collective mouth is in order to win this effort!

In addition, we need to make a series of payments that we currently don't have the funds for. These include payments to our attorneys and our Real Estate consultant, CPC. Kathleen Dunn of CPC has provided us with invaluable advice and an ability to communicate on our behalf with the various parties involved in our tortuous negotiations. We will owe CPC fees based upon the time they expend on our behalf, and while CPC, which is a not-for-profit organization, have expressed a willingness to be largely paid on the completion of our transaction, we need to make some payments to them to show good faith, and as an expression of our appreciation for their assistance.

We ask that all tenants contribute as much as they can. Our ideal is for each household to contribute \$50 per month, and to make a one-time payment of \$200, if not already made. For those who have not contributed significantly in the past, we urge you to start doing so now.

We believe that we are close to a successful conclusion of the prolonged efforts of 3 different IHTA Boards. We must continue to press forward, which inevitably requires money to pay professional advisors. Please make your checks out to the Island House Tenants Association and drop it in the IHTA mailbox in the lobby of 555.

ELECTIONS FOR IHTA BOARD

It is that time of the year again. Here are the main dates:

- January 4 -18: 14-day nominations period
- January 19: candidates announced
- January 29: annual meeting
- January 30-31: elections Noon-9PM

On the evening of January 31 after the voting closes, the ballots and absentee ballots will be counted and the results announced immediately thereafter.

MAINTENANCE COMMITTEE REPORT

On Monday, January 8th, 2007, from 7:30 to 8:30 p.m., a representative from the FDNY will give us a fire safety presentation in the Island House Community Room. Among other topics, they will show everyone how to use a fire extinguisher. You will find out during this presentation in January which fire extinguisher is the "official recommendation" of FDNY.

RY Management will distribute official fire safety plans to the tenancy on or about January 10th. If you don't have a fire safety notice sticker on the back of your apartment door, call RY so they can have someone install one for you. If you notice that your neighbor doesn't have one on their door, encourage them to call RY and have one installed.

Please be careful with your Christmas trees during this holiday season! Remember to:

- fill the stand with water before you go to bed at night
- unplug the Christmas tree lights before going to bed and when you leave your apartment during the day
- place the Christmas tree away from the heater in your apartment.

NEXT MEMBERS' MEETING: DECEMBER 13TH, 8:00 P.M.

Come to the next IHTA Members' Meeting tonight, December 13th, from 8:00 to 9:30 p.m. in the Island House Community Room.

Happy Holidays!