



BayRidge Air Rights, Inc.

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Official Board Meeting Minutes of September 16th, 2025

Attendance

Linda Lyons – President, Nick Marino – Vice-President, Marie Myers – Treasurer, John Shea – Secretary
Directors – Frank Bellino, Angela Benanti, Richard Collado, Vlad Kurmalev, Charles Neil
and accountant Joseph Giannasco participated by telephone.

Call to Order

The meeting was called to order at 11:00 AM. At 260 65 Street conference room.

The minutes from the August 12th, 2025 board meeting were read and approved by all

Insurance Coverage

The Board next addressed insurance coverage. It was clarified that although only one option was available, the policy was built from a consortium of several carriers, as the previous insurer declined renewal. Language stating that only one company was willing to write a policy was corrected to reflect the true circumstances. Marie explained that the broker had assembled coverage across eight to ten insurers.

Laundry Room Conditions

The condition of the laundry rooms was discussed. Frank reported shareholder complaints about mold in the washing machine tubs and detergent dispenser compartments. He noted that porters wipe the machines daily, and Board members also emphasized that the dryer vents and fans leading to the outside had not been cleaned for some time and were contributing to the problem. Linda suggested that a notice be circulated to shareholders reminding them to leave washer doors open after use, but the Board also agreed that management must schedule a thorough cleaning of the washing machines and dryer systems, including exterior vents and fans.

Parking Lots and Financing

Nick reported at length on Parking Lot 350 and the related work at 260. He explained that he had been in contact with the Department of Buildings, the railroad, and the supervising engineer. Several conditions must be satisfied before Lot 350 can reopen, including a written commitment from the railroad to maintain a five-mile-per-hour speed limit, weekly inspections by both the engineer and the contractor, and written assurance that the lot would be immediately vacated if unsafe conditions arise. Permanent plans must also be underway by November 30.

Nick also reviewed financing, noting that a \$39 million loan supplemented by \$5 million in soft costs had been approved, that \$7 million had already been advanced by Wells Fargo for shoring, and that repayment would be made from the new financing. HCR is considering a waiver to expedite the engineering contract.

Spectrum Bulk Services Agreement

Attention then turned to Spectrum billing. Vlad reported that some shareholders who had been paying as little as thirty to forty dollars per month for internet service were improperly switched into the \$95 bulk package. He and Galina reviewed bills and arranged credits where necessary.

The cooperative received a \$197,000 marketing incentive payment from Spectrum under the bulk cable and internet services agreement, which included approximately \$16,000 earmarked for shareholder credits. The balance was applied to operating expenses. Board members expressed concern that residents remained confused and stressed that Metro Management must provide clearer instructions going forward.

Transition to Metro Management

The Board considered the transition to Metro Management. A new property manager has been introduced, though some directors had not been informed of the meeting with her.

Payment processing was also discussed. Metro does not use ClickPay; instead, maintenance checks dropped at the office will be FedExed weekly to the main office at an estimated cost of \$100 per month. Several directors argued that shareholders must retain the option of dropping payments locally, although Metro is encouraging the use of ACH or its website portal, which will become active for the November billing cycle. Directors noted that Metro's draft letter to shareholders required clarification, particularly regarding effective dates and late charges.

Vlad also confirmed that Wi-Fi would be installed in the Building 1 community room and in the conference room, with expansion possible later depending on demand.

Financial Report and Budget Rent Determination

Joseph Giannasco, CPA, reported that insurance premiums had risen by \$1.3 million, which alone represented a fifteen percent impact on maintenance. Because the cooperative has otherwise operated efficiently, the Budget Rent Determination (BRD) reflects an eleven percent increase. Interest on the subsidy loan will add approximately \$225,000 annually. Giannasco noted that the State may approve a slightly higher increase but indicated he would argue against any adjustment beyond his figures.

Board members debated the percentage of the last increase, with disagreement over whether it had been closer to four percent or eighteen percent.

Directors also discussed ancillary fees and surcharges. Vlad noted that the margin on utilities such as electricity was narrowing, with the cooperative now paying approximately 70% of costs rather than half. Linda observed that parking remained below market value. Marie stressed that ancillary charges were antiquated and too low, stating that \$22 for an air conditioner surcharge was unrealistic and that adjustments should be considered. Vlad added that such charges still represented some of the lowest rates in the city, while other directors disagreed on whether increases should be pursued at this time.

Motion 1: A motion was made to approve the BRD with an eleven percent increase in a single step, and to authorize its submission. The motion carried, with all directors in favor except Richard Collado and Charles Neil, who voted against.

Legal Action Against Former Management Company

Charles Neil raised concerns about the prior management company's failure to conduct proper inspections beneath the buildings and its long-term negligence.

Motion 2: Director Charles Neil moved that Bay Ridge Air Rights, Inc. initiate legal proceedings against the former management company regarding its handling of the cooperative's affairs. The motion was seconded and unanimously approved.

Adjournment

Additional routine matters were noted, including Metro's shareholder payment letter and the need to revise language about registration dates.

The meeting adjourned at 12:30 p.m.