

# **ST. JAMES TOWERS | MONDAY, JUNE 24, 2024**

## **BOARD OF DIRECTORS HYBRID MEETING WITH STOCKHOLDERS – UNOFFICIAL MINUTES**

**Directors Present:** Dr. Noreen Hosier, Mr. Patrick Stennett, Mr. Warren Harding, Ms. Arlene Arrington, Ms. Yvonne Hilton, Ms. Stacey Starke, Ms. Nicole McKnight

**Directors Absent:** Mr. Claudio Jordan

**Property Manager:** Ms. Nicole Duncan

The meeting was called to order at 7:03 PM.

### **WELCOME/OPENING REMARKS**

Dr. Hosier welcomed the stockholders to the Board of Directors Meeting, which was held in a hybrid format whereby participants may join online or in person in the Community Room. Dr. Hosier also advised those attending the meeting in person to practice health and safety measures by wearing masks and distance seating. She also recommended shareholders practice these same measures in common areas of the building.

The meeting was accompanied by a PowerPoint presentation starting with reviewing the following agenda items:

- I. Welcome
- II. President's Opening Remarks: Dr. Noreen Hosier
  - A. Correction of Minutes- March 25, 2024
- III. Reports
  - A. Administrative, Director Warren Harding, Secretary
  - B. Management: Nicole Duncan, Property Manager
  - C. Corporation Finance: Director Nicole McKnight, Treasurer
  - D. Information and Education, Director Yvonne Hilton
- IV. Old and New Business
- V. Board Votes
- VI. Questions and Answers: Director Warren Harding
- VII. Closing Remarks

A roll call of the Directors was conducted; all were present except Mr. Claudio Jordan.

### **CORRECTION OF MINUTES, MARCH 25, 2024**

As there were no corrections to the minutes from the March 25, 2024 Quarterly Meeting, a motion was made by Nicole McKnight to accept the minutes as recorded, and Patrick Stennett seconded the motion. The minutes were accepted unanimously, with the absence of Mr. Claudio Jordan.

### **REPORTS**

**Administrative:** Warren Harding presented highlights of the revised decorating agreement, which was recommended by the corporation's professional team as one method of strengthening St. James' financial stability. Highlights of the agreement were as follows: reported the following:

- The St. James decorating agreement applies only to painting, wall papering, resurfacing of wood floors or installing a floor on top of an existing floor (but not installation of a new

floor), replacement of internal doors, installation of carpeting, and installation of counter tops, back splash and upper cabinets in the exact location of previous items. Appliances may be replaced, but only in the same location and footprint unless prior authorization by the Corporation is granted.

- No tub removal from the bathroom is permitted.
- Shareholders must submit the following documentation to Management:
  - Every agreement made with the Contractor
  - The contractor's comprehensive personal liability and property damage insurance policies
  - Copies of the New York City Department of Consumer Affairs licenses for each contractor
  - All contractors and subcontractors must be fully licensed for the work undertaken under the laws and regulations of the City and State of New York
- There are nonrefundable fees to be paid by the shareholder as follows:
  - \$250.00 payable to the Managing Agent (Metro Management) as a processing fee
  - \$200.00 payable to the Corporation (St. James Towers) as a staff fee
- The shareholder also pays a refundable security deposit as follows:
  - \$1,500.00 for work totaling less than \$10,000.00
  - \$2,500.00 for work totaling more than \$10,000.00
- A written waiver request can be submitted to the Corporation for these fees; however, the Corporation shall be the sole arbiter in determining the waiver request. Factors such as the shareholder's maintenance payment history and apartment insurance policy would be taken into consideration.
- All permitted work shall be completed expeditiously and all work must be completed within 30 days. If the work exceeds this time frame, you must be given board approval, and applicable fees will be charged and collected by Management as additional monthly maintenance.
- No work shall be done except between the hours of 9:00 AM and 5:00 PM, Monday through Friday. Any work that can produce unusual noises and disturb building occupants shall only be done after 10:00 AM, Monday through Friday.
- Shareholders who have renovation requests pending will receive a complete copy of the new agreement, which includes additional documents that the contractor must read and sign. Shareholders are strongly encouraged to read the agreement carefully. Preplanning and preapproval are required.

**Management:** Property Manager Nicole Duncan reported the following for the period April-June, 2024:

- School Tax Relief Program (STAR) provides partial abatement of school taxes for all owner-occupied residences including cooperative apartments such as St. James. Stockholders must submit a one-time application online to the NYC Department of Finance by March 15<sup>th</sup> to receive payment, the amount of which is contingent upon age and income; seniors 65 and older are eligible to receive higher amounts. If you received the NYC STAR payment in the 2015/2016 tax year or earlier but later lost it, and your total household income of \$250,000 or less, you may choose to either apply to restore your benefit with the city or apply for the STAR Credit with NY State.

Management has received the 2024 schedule of benefits from NYC Dept. of Finance for STAR tax credit and distributes the money directly to eligible stockholders as a credit on

their monthly statement. Stockholders who applied for STAR credit will receive their distribution in 3 equal monthly credits from Jun-Aug of an average amount of \$32.33 or more for fiscal year, 2023/2024.

NY City stopped accepting STAR applications at the end of 2015. Stockholders who applied prior to this date will receive the credit from the city via the co-op. Those who applied for STAR from 2016 and after are registered with the State, which handles the STAR program differently by mailing a physical check each year directly to the stockholder and does not report this information to St. James.

- Arrears, Resale & Vacancy Update

- Arrears & Legal Status The current stockholder arrears: \$171,569, which comprise:

- 19 apartments in arrears 30+ days = \$12,501
- 4 succession rights denial cases stalled in landlord/tenant court = 90,364
- 1 deceased probate court case = \$11,486\*
- 10 non-payment eviction proceedings against shareholders with L & T attorney = \$57,218

\*Probate case apartment was sold to a new shareholder; the arrears amount for that apartment will be deducted next month.

- Apartment Resales: Ms. Duncan welcomed 3 new stockholders between April 1, 2024 to June 12, 2024 collecting a total in first sale payments of \$54,457.75:
  - Apartment 14F- Kichka Kostadinova, husband Stefan, son Kostadin and sister Fiyka Kostadinov
  - Apartment 11B- Terran Johnson and son, Cameron.
  - Apartment 22I- Yeok Gan (Irene) and husband, Chi Chui (Lawrence)
- Vacant Apartments: there are currently no vacant units.
- Vacancy Loss: the Corporation incurred vacancy losses from apartments 11B and 22I in the amount for \$473.16 because these apartments were vacant for more than 90 days and St. James cannot legally collect monthly carrying charges, thereby resulting in a financial loss to the Corporation.

- Administrative Items

- 2023 Income Affidavit Reminder: If your completed income affidavit is not received by 5pm on Monday, July 1, 2024, you will receive a non-refundable, \$150.00 per month plus 50% surcharge until the affidavit is submitted.
- 2021 Income Verification Audit Update: Recalculation of the audit is completed, and households listed on the audit will be receiving letters of the audit results in the coming month.

- Maintenance Items

- 2024 Category 1 Inspection: On June 17, 2024 elevator technician BP Elevator and Sierra Consulting Group performed the periodic CAT 1 inspection on all 4 cars. Preliminary report was positive. Recommended repair for Elevator One: add an Electronic Safety Edge, Cost: \$3,867. Written report is pending.
- Hot Water Coil: hot water coil on Boiler #2 is severally corroded and needed immediate replacement. Efficient Combustion has quoted the replacement cost of \$17,500 same as it was for Boiler #1 coil replacement in 2018. Repairs were completed on 6/18/24.
- Sidewalk Concrete: A total of 571 SF of concrete flags located on the sidewalk in front towards Dekalb Avenue and seating area/community room area are scheduled to be replaced on July 1, 2024 at a total cost of \$22,254 (Millenium Restoration) lowest bidder.

- Roof Tank Cleaning The annual Roof Water Tank cleaning has been scheduled for Tuesday, July 30<sup>th</sup>. The total cost is \$1,945.00.
- Chain Links with Poles: Triangle Iron Works Inc. proposes to supply all tools, materials and labor to replace 2 broken chain inline poles, reinstall five loose poles and reattach the broken chain connecting inline poles in various locations. The total cost is \$1,750.00. Repairs were completed on 6/20/24.
- Bargold Storage The basement storage units are all occupied and the corporation is now collecting a monthly payment of approximately \$1,230 from our previous amount of \$416 from Bargold Storage.
- Brightview Landscaping The summer flowers were installed on May 24 and the hedges surrounding the playground/seating area were trimmed on June 11. In the coming weeks Brightview will be cutting the dead tree limbs off multiple trees throughout the grounds, trim additional hedges and trees around the property.
- Reminders as Stated in the St. James Towers, Inc. Restated Rules and Regulations
  - Air Conditioners: Prior to purchasing/installing new air conditioners and/or freezers, please discuss with Management to ensure the appliance meets building requirements. As a reminder, effective July 1, 2022, the increased fees of air conditioners are charged annually \$264 per unit (\$22 per month) and freezers \$180 (\$15 per month).
  - Terraces:
    - 1) Please refrain from throwing lit cigarettes and/or fireworks from your terraces or windows. This is a dangerous practice and can cause personal injury and property damage. It is also a fire hazard and can be detrimental to yourself, your neighbors and anyone in the path of the fireworks. Also, all consumer fireworks are illegal in New York.
    - 2) Cooking and/or barbecuing on the terrace is prohibited and is against NYC Law. Every terrace is to be used in such a manner so as not to interfere with the quiet enjoyment of your respective apartments.
    - 3) Shareholders making any excessive or disturbing noise between the hours of 10:00pm and 8:00am are subject to a fee of \$ 50.00 for each occurrence.
  - Dogs: Remember to curb your dogs. Shareholders who allow their pets to relieve themselves in the building or anywhere on the premises are subject to a fee of \$75.00 for each occurrence.
- Good News Items: Ms. Duncan congratulated the 2024 graduates. Anyone wishing to share their good news items on St. James Towers' website bulletin board are welcome to send an email to Management.

**Finance:** Treasurer Nicole McKnight reported the following:

- May 31, 2024 Finances at a Glance
  - End of Month Balance : \$ 335,394
  - Open Unpaid Bills: \$48,022
  - St, James ended each month with enough money to cover outstanding bills.

- Corporation Accounts Balances, May 31, 2024

Account	Balance
First Sale Reserve	\$231,076
Merrill Lynch Investments	\$936,574
Operating Reserve	\$247,942
Escrow	\$650,451
Application	\$ 87,301
Community Room	\$ 67,831

Corporation Accounts Total Balance: \$2,221,175

- Proactive Finance Strategies
  - Three-year 10% carrying charge increase
    - Final 2.5% increase was implemented Nov. 1, 2023
  - 12 Month Utility Pass Through
    - Final payment was April 2024
  - Since August 2014 no monthly mortgage payments
  - March 2022: HPD waived monthly reserve fund contributions
    - \$9,500 monthly payment added into the Day-Day Operating Account to pay towards expenditures

- Annual Budget, 7/1/2023-5/31/2024 (using 92% as a baseline indicator to reflect the 11-month period):

ITEM	BUDGETED	TO DATE	PERCENT
Management Fee	168,00	148,905	88
Legal	77,000	75,949	99
Accountant	25,000	26,044	104
Admin & Mgmt	50,000	88,278	176
Electricity	705,000	508,257	72
Gas (heat)	402,000	392,680	98
Maintenance & Repairs	775,000	735,580	95
NYC R/E Tax	274,000	163,194	60
Security	354,300	303,048	86
Maintenance Staff	784,000	620,694	79
Insurance*	240,000	230,435	96
Water & Sewage*	377,000	375,100	95

- Legal exceeded by 7% due to lengthy landlord, tenant state and succession cases.
  - Accounting exceeded by 12%
  - Admin/Management exceeded by 84% due to replacing a damaged computer, costly data retrieval and a new copier machine
  - Insurance anticipated 15% increase
  - Water/sewer anticipated 8.5% increase
- Currently, there are available funds in the operating reserve account to transfer into the day-to-day operating account, if needed
- High rate of surcharges paid by stockholders result in higher collected revenue than budgeted
- The new energy contracts (Electricity and Gas) approved by the Board in April 2024 showed a drastic decrease in cost, which coincided with the end of the one-year Utility Pass Through monthly charge that was implemented due to the unexpected 50% increase in the April 2023 energy contracts

- In September, the corporation accountant's will submit to the Board the audited annual report for July 1, 2023-June 30, 2024. Based on the accountant's report and follow up meeting with the corporation's professional team, if needed, adjustments will be made to the draft budget.
- The Board prepared a draft budget for the new fiscal year (July 1, 2024-June 30, 2025) and indicates that the corporation's income will exceed expenditures. The Board's analysis is based on unaudited analysis.

### **Information and Education**

Due to technical difficulties, Ms. Yvonne Hilton was unable to present; therefore, Dr. Hosier presented the Information and Education report as follows:

- New York City Composting
  - Last March 2024, Department of Sanitation implemented mandatory separation of the following garbage items:
    - leaf and yard waste
    - organic plant waste
    - food waste and food-soiled paper
  - Currently, the Department of Sanitation is not issuing violation fines.
  - Department of Sanitation is offering virtual information sessions on the following dates:
    - Wednesday, June 26 at 4:00PM
    - Wednesday, July 3 at 12:00PM
    - Wednesday, July 10 at 4:00PM
    - Wednesday, July 17 at 12:00PM
    - Wednesday, July 24 at 4:00PM
    - Wednesday, July 31 at 12:00PM
  - To view a virtual session go to: [New York City Department of Sanitation \(nyc.gov\)](https://www.nyc.gov) and scroll down to Curbside Composting
  - Once this mandate goes into effect, St. James will be fined for noncompliance. More information on composting will be shared in September.
- November 2024 General Election:
  - Our district does not have a primary election this June. However, everyone must plan to vote in this most important general election in November. Shareholders should know that **anyone who is registered to vote** can request an Early Ballot and vote by mail. The application for a ballot can be requested either online or in person. The deadline to request a ballot online is October 24<sup>th</sup> and in person November 4<sup>th</sup>, Election Day.
  - Early in-person voting is October 26<sup>th</sup> through November 3<sup>rd</sup>
  - Get Information : VOTE.NYC                      866-VOTE-NYC
  - RequestBallot.Vote
  - FindMyPollsite.Vote.NYC
  - St. James Towers Voting Site: PS 270 (corner Classon & DeKalb Avenues)

**OLD AND NEW BUSINESS:** Dr. Hosier presented the following:

### **Old Business**

- Capital Projects
  - FISP CYCLE 9 UPDATE
    - January 2024, Vivek Patel, project engineer, United Engineering of NY, DPC and Millenium Restoration submitted to Department of Buildings the probing and inspections of the FISP 9<sup>th</sup> Cycle report with a Safe With A Repair and Maintenance Plan (SWARMP) Rating to the DOB.
    - May 16<sup>th</sup>, the DOB notified Mr. Patel that his report had been rejected.

- DOB instructed Mr. Patel to resubmit within 45 days with the worst-case scenario of defects to our building facade.
- Last week, report including the additional required pictures was submitted
- DOB SWARMP rating decision is still pending.
- HPD has not scheduled a meeting to discuss the Board's request for an HPD/HDC loan to do the façade, terrace repairs and the roof replacement. HPD informed our counsel that a late fall meeting is projected.
- If we hear back from DOB with an unsafe rating beforehand, we will be required to install shedding immediately; cost is \$25,000 for the first three months followed by monthly cost of \$25,000-30,000
- St. James Place Cobblestone Replacement Project
  - Project is on hold
  - St. James submitted two applications:
    - City Council Discretionary Funds
    - Congressionally Directed Spending
  - Estimated cost: \$1.6 million
  - City Council Member Crystal Hudson has actively advocated for the City Council to fund the project. During last Wednesday's 2024 Community Service Awards ceremony, Council Member Hudson reported that final City Council budget decisions will be announced by June 30<sup>th</sup>.
  - CM Hudson felt that St. James will receive at least some of the requested funding, but they will be available in fiscal year 2025; therefore, cobblestone repairs won't begin before Spring, 2025.
  - St. James informed insurance company money is not yet available to do the repair. They have approved of the enclosures surrounding the cobblestone area
  - St. James paid Millennium a one-time fee. They're not charging a monthly fee.

#### **New Business:**

- Allied Universal Amended Agreement (Security Officers)
  - Effective July 1, 2024, increase assigned security officer rate to above NYS minimum wage for a 6-month trial period to attract more experienced personnel
  - Increased rate is within the amount limit for security under the draft 2024-205 annual budget.
  - December 2024, contingent upon assigned security officers performance, the Board will make decision to:
    - make the higher rate permanent or terminate Allied Universal contract.
    - Revert to previous minimum wage rate
    - Terminate Allied Universal Contract
  - Allied is very interested in working collaboratively with a St. James security committee consisting of stockholders who have background or experience in the security field, such as NYC Police Department. Through such a collaboration, stockholder feedback and suggestions can be helpful in assessing the assigned officers' performance and identifying the areas in need of strengthening and improving.



## **EMMANUEL BAPTIST CHURCH 1<sup>ST</sup> SUNDAY WORSHIP WITH COMMUNION**

St. James resumed collaboration with Emmanuel Baptist Church in May to provide First Sunday Services with Communion in the St. James Community Room. Pictures of the services were presented.

## **2024 COMMUNITY SERVICE AWARDS**

Pictures from the Community Service Awards ceremony held on 6/19 were presented. One of the honorees, Board Vice President Claudio Jordan, also received a City Council citation presented by CM Crystal Hudson, marking his 56 years of service on the St. James Board of Directors.

## **BOARD VOTES**

1. 2024 Decorating Agreement: Arlene Arrington made the motion to implement the Decorating Agreement, effective July 1, 2024; Warren Harding seconded. Total votes were:
  - a. 7 Affirmative: Arrington, Harding, Hosier, Hilton, McKnight, Starke, Stennett
  - b. 1 Negative: Jordan (absent)
  - c. 1 Abstention: Foote

The vote carried.

2. Administrative Fine for Rule #22: Dogs (pending HPD approval); Yvonne Hilton made the motion; Arlene Arrington seconded. Total votes were:
  - a. 5 Affirmative: Arrington, Harding, Hilton, Hosier, McKnight
  - b. 3 Negative: Foote, Starke, Jordan (absent)
  - c. 1 Abstention: Stennett

The vote carried.

## **QUESTIONS AND ANSWERS**

- No questions were submitted in advance.
- Anthony Coker:
  - Asked for clarification on the board votes; Dr. Hosier reiterated them.
  - Expressed concern that \$10,000 deposit for apartment renovations could be a financial burden, especially for new shareholders; Dr. Hosier noted his concern and stated that some new shareholders have already begun renovating before moving in.
  - Asked for board's thoughts on Local Law 97; Dr. Hosier shared that the board recently met with a consultant from Metro Management regarding this matter, who presented an information session. The board is continuing to gather information and will have future discussions with the consultant on implementation. Another discussion item was Local Law 157, which requires gas detectors in all apartments.
  - Asked whether the seating area is open because he sees chains across the entrances
  - Is there a threshold for a number of responses to surveys whereby the shareholders can vote on a board policy (e.g., dogs); there is a policy on dogs in the restated rules and regulations. Anyone wishing to have the policy revisited may write to the board.
- Zezlie Blyden asked for an explanation of the apartment agreement; Dr. Hosier briefly described what corporation counsel prepared and referred her to documentation that will be posted on BuildingLink.

- Joi Swepson asked for shareholder input on the dog policy via a survey or questionnaire; shareholder input was requested when the memo regarding the policy was distributed. However, input is still welcome by letter to the board.
- Serge Eva commented on the renovations in the playground, whereby there is no equipment for the children to play; information regarding the state of the area was shared years ago. Future plans for the area are up to the shareholders who are interested in making updates and raising the necessary funds by forming a committee.
- Ramona Scott
  - Asked for clarification on the process for placing items in the bulk room; shareholders must contact the Management Office to make arrangements.
  - Asked about using the contractors the building hired for renovating the apartments to paint her apartment; due to high turnover, the contractors are fully booked, and are not available to take requests from shareholders to paint their apartments.
- Natalie Brown asked what to do about workers coming to start a job in her apartment at 7:00; she was advised to speak with Ms. Duncan in the Management Office.
- Michael Blackwood asked what is being done about street repairs at the Dekalb Avenue parking exit; this is a matter for the Department of Transportation. Dr. Hosier Ms. McKnight will follow up, but also advised individuals to call 311 or go online to report the issue.

#### **CLOSING REMARKS**

- The next hybrid virtual meeting will be held in September. Starting in the new fiscal year, the Board will hold virtual board working sessions that will be available for stockholders to observe via Zoom. There will be no question and answer segments, but shareholders may submit questions in advance.
- Dr. Hosier thanked those who attended the meeting, which will also be posted on BuildingLink.
- Shareholders may request copies of the reports presented at the meeting.

The meeting was adjourned at 8:33 PM.

Minutes prepared by Warren Harding, Secretary

  
Signature

7/20/2024  
Date