

ST. JAMES TOWERS | MONDAY, MARCH 13, 2023

DIRECTOR'S MEETING OF ST. JAMES TOWERS, INC.

The Meeting started at 7:02 Via GoToMeeting Video Conference Call

Directors Present: Dr. Noreen Hosier, Mr. Patrick Stennett, Mr. Warren Harding, Mr. Ronald Roxey, Ms. Arlene Arrington, Ms. Nicole McKnight, Mr. Claudio Jordan, Ms. Yvonne Hilton, Mr. Rudy Moore

Building Manager: Nicole Duncan

Manager's Report

- Vacancies
 - 19B: internal transfer by Joyce and Sarah Julien
 - 5J/21B/18G/LC: application process continuing
 - 7K, 21I: restoration complete, except for tubs to be reglazed. Expected closing dates 3/22 and 3/24 respectively.
- BuildingLink: Management is continuing to encourage shareholders to register for BuildingLink, and participation has increased.
- Bus Service Petition: Approximately 270 signatures were collected to oppose eliminating B38 Limited service and bus stops on the B38 and B52 routes. Warren Harding will compose a cover letter to enclose with the petition signatures and mail a copy to Council Member Hudson's office and the original to the MTA.
- Elevator Inspection: The annual category 1 inspection on the elevators is scheduled for 3/24 with BP Elevator and Sierra Consulting. Schedule for taking elevators out of service for inspections will be posted.
- BrightView Landscaping: Account Manager, Fitzroy Tracey has scheduled the annual quality site assessment for Thursday, 3/16 at 11am.
- Triangle Iron Works: A proposal for repairing the chain poles was submitted for the total cost of \$4,760, which include the following:
 - Adjust, extend and reinstall 26 chain fence poles around playground and repoint 1 chain fence pole: \$3,800
 - Repair 12 broken, bent and loose chain fence poles around building perimeter: \$960
 - Optional: Install poles with sleeves will be an additional cost of \$1,800.

The sleeve installation option was originally suggested by Rudy Moore, but after reconsidering, he felt it was not a good idea because it would require drilling into the walkway surface which could potentially crack. Further discussion on this option will take place with the vendor and Mr. Jordan, Ronald Roxey, Ms. Duncan and Mr. Moore (tentatively).

- Eggleston (17A) submitted request for apartment renovations; paperwork included certificates of liability insurance and workers' compensation insurance. There was no opposition from the board to the request.

Shareholder Issues

Michelle Stokes (8M) requested borrowing 12 chairs from Community Room. Dr. Hosier asked Ms. Duncan to have Sadonia create a chart of Ms. Stokes' previous requests. There was no opposition from the board to the request.

Cycle 9 Proposal Comparison

Three engineers submitted proposals to perform façade inspections for the Cycle 9 project: Lawless & Mangione, Rand, and United. Dr. Hosier expressed concern about further delaying the inspection and not submitting a report by 2/24/24, especially since Lawless agreed that St. James ended Cycle 8 as safe and that there is little chance of ending up unsafe. It is most likely that St. James will receive a DOB rating of SWARP (Safe With a Repair Plan). Submitting a repair plan will ensure St. James as safe. Another issue was whether shedding was needed for probing, but there is no DOB requirement to erect shedding to do probing. A flagman can be used to keep pedestrians away from the area while probing is being done. The timeframe for doing the investigation is 1-2 weeks.

Since the board approved Lawless to be the engineer to oversee capital projects construction, Dr. Hosier recommended selecting Lawless to perform the probing for continuity, rather than having a different company do the work. As the board referred to the comparison among the three companies for discussion, Lawless had the highest total cost (due to per drop cost) and United (headed by former Rand engineer Vivek Patel) was the lowest. However, Lawless' price per probe was lowest, offering the same number of probes as United and more probes than Rand. The representative from Lawless explained that when they come out to do the actual probing, the measurements will be redone and be more precise.

Ronald Roxey moved to select Lawless & Mangione as the engineer for Cycle 9 façade inspection and DOB report submission, with the stipulation that St. James' corporate attorney will strengthen the language in the contract; Rudy Moore seconded, and the vote was unanimous in the affirmative. The motion passed.

Funding for Capital Projects

David Baron, Metro President, sent loan term agreements from Meridian Group, loan mortgage company, for two scenarios: a \$12 million loan and an \$8 million loan where the closing costs approach and exceed \$500,000. Corporate attorney Andrew Brucker contacted Wells Fargo, and corporate accountant Robert Mellina sent a summary of required maintenance increases to cover the loans under various options. Capital assessments had been used in the past because of: 1) high loan closing costs; 2) no equity is added to the apartment; 3) the addition of debt service, which is added to the operating budget, resulting in permanently higher carrying charges. However, the professionals advised that St. James cannot continue implementing capital assessments because they will not cover the increasing costs of repairs and HPD will not allow it.

Questions for professionals:

1. Are Meridian Group's numbers and proposed carrying charge increases all at one time or a period of years
2. Will taking a 30-year mortgage from a private lender require a 30-year commitment to stay in the Mitchell-Lama program
3. Given the current uncertain times, can Cycle 9 and roof repair be done through a capital assessment and take a loan in two to three years for other projects (such as windows) to be done in the future
4. Why isn't the city offering a loan to St. James in a loan forgiveness program
5. Meeting with Carl Hicks from HPD still needed to follow up after declining request for utility pass-through and his recommendation to use capital reserve

Shareholder Survey

One of the feedback items was to have Bargold look at the Rainbow Room as a potential storage area. Dr Hosier shared a document from 2010 where Bargold developed a plan for dividing the space for exercise and a 13-unit storage area, and suggested Bargold revisit St. James to assess the space at no extra cost and submit a proposal to add more units and maintain an exercise area. There are approximately 50 people on the waiting list for a storage unit, and Dr. Hosier asked Ms. Duncan to ask Bargold to send a letter to them inquiring whether they are still interested in obtaining a unit. There would be no cost to renovate the area; the only cost is a 10-year agreement.

The meeting ended at 8:33 PM.

Minutes prepared by Warren Harding, Secretary



3/18/2023

Signature

Date