



BayRidge Air Rights, Inc.

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Open Board Meeting of November 5th, 2025 Summary

Attendance

Linda Lyons – President, Nick Marino – Vice-President, Marie Myers – Treasurer, John Shea – Secretary
Directors – Frank Bellino {by phone}, Angela Benanti, Richard Collado, Vlad Kurmalev, Charles Neil,
General Manager Irina Svirsky
Vivek Patel Engineer of Record & Owner's Representative and accountant Joseph Giannasco.

Called to Order

At building 2 Community Room at 5:PM

ENGINEERING & CAPITAL PROJECTS

Report by Engineer of Record & Owner's Representative – Vivek Patel

Local Law 11 – Façade Repair Progress

Vivek reported that brickwork has resumed on the 3rd Avenue side of the building. Floors **3 and 4** are complete, and **5th floor** work is underway. His primary goal is to ensure all open areas of the façade are sealed before the winter season. This includes brick replacement, repointing, balcony concrete repair, and any required waterproofing.

Once the masonry and balcony components are finished, he will file a “**Safe**” report with the Department of Buildings. That filing is necessary before the sidewalk sheds can legally be removed. Residents should expect week-by-week progress updates as work moves upward.

Building Safety Classification

Vivek explained that DOB uses three labels for exterior-wall compliance:

1. **Safe**
2. **Safe With Repairs**
3. **Unsafe**

Bay Ridge Air Rights was given an **Unsafe** classification in 2022. He stressed that this designation reflects façade and balcony deterioration only — **not** structural failure or foundation concern. The building remains structurally sound, and all “unsafe” items relate solely to exterior components needing repair.

Parking Decks & Garage Status

Shoring for **Building 350** was completed in **August 2025**, and shoring for **Building 260** is set to finish this month. Temporary shoring stabilizes the decks but is **not** a substitute for permanent repair.

DOB will **not** lift the garage vacate order until two steps are completed:

1. Hiring a **repair engineer** to produce stamped, detailed drawings and specifications.
2. Hiring a **general contractor** to perform the permanent work based on those approved plans.

Additionally, HFA confirmed that garage reconstruction is **not included** in the capital loan and must be funded separately by the co-op.

Cost updates:

- \$8 million for the 350 deck
- \$20 million combined estimate
- \$60,000/month for shoring rental + inspections

CAPITAL LOAN & PROJECT TIMELINE

The new capital loan package is currently under final review by HCR, HFA, and attorney teams. All documents have been submitted. Vivek emphasized that delays are due to the State's multi-step oversight process — not because the Board or management failed to provide required materials.

Once the loan closes, the Local Law 11 contractor (A-1 Paris) will increase staffing to 6–8 active work drops per building, speeding up façade work and other exterior Local Law 11 repairs.

Regarding the parking deck, Vivek stated that Building 260 will likely require multiple construction seasons due to its size and structural complexity, but the parking deck at Building 350 could be completed in one construction season if the Board decides to pursue separate private or contractor financing.

Vivek also acknowledged resident frustration about changing state requirements and committed to providing a complete written update covering façade, balconies, windows, doors, parking decks, and all budget numbers.

ACCOUNTANT'S REPORT

Accountant Joseph Giannasco

The accountant presented financial data for the last six months, noting a small operating deficit and the use of **\$400,000 from reserves** to support current repair work.

\$48 Million Capital Loan Overview

The co-op expects to finalize a **\$48 million** loan at **0.25%**, interest-only for 30 years. This loan can only be used for **capital projects**, such as façade work, window replacement, and other large-scale repairs. The State will directly approve and release all funds. Payments cannot be made by management or the co-op without State authorization.

Budget Rent Determination (BRD)

Every two years, HCR requires the co-op to submit a Budget Rent Determination. Because insurance costs increased from **\$800,000 to \$2.1 million**, along with rising wages, utilities, and repair costs, the BRD projects a **14% maintenance increase**.

HCR has final authority and may raise or lower that percentage after review. A public hearing will be held, and shareholders will receive at least 30 days' notice.

The accountant explained that **every co-op he represents (40–50 buildings)** is facing the same insurance spike. He reinforced that the Board and management do not set the increase — **the State does**.

ADDITIONAL INFORMATION

- State approval for capital work can be slow; one prior payment took 16 months.
- All capital work must be completed within **7–10 years** under State rules.
- Some items (windows, façade) have shorter **3-year** deadlines.
- HCR will not allow the co-op to buy its own scaffolding; all equipment must come through the contractor.
- The next potential maintenance increase would likely take effect **March–April 2026** depending on HCR review.

CLOSING MESSAGE

The Board, management, and engineering team are pushing for faster movement on approvals and repairs. Progress is happening, but nearly all major decisions and funding releases depend on New York State review. Shareholders will receive additional updates as more information becomes available, including the engineer's full written report and the upcoming HCR rent hearing schedule.

Meeting Adjourned 6:32 PM