

STUYVESANT TOWN - PETER COOPER VILLAGE TENANTS ASSOCIATION

A Volunteer Staffed Organization Working to Preserve an Affordable Community

Founded -1971

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December 17, 2009

Dear Stuyvesant Town Rent Stabilized Resident,

We have concluded our analysis of Tishman Speyer's Application for MCI Increase for Resurfacing and Water Tank and have prepared an ANSWER TO NOTICE for you to submit. Please follow the directions below carefully to submit your answer to "Notice of Application By Owner for MCI Rent Increase" for Resurfacing and Water Tank.

1. You will recall that we asked you to request a 60-day extension to reply to the Notice. We asked you to make two copies keeping one. On the back of your saved copy of the Notice write, "Please see attached."
2. Attach the "Answer to Notice", one for Resurfacing and one for Water Tank, which we have provided.
3. In the space provided at the top of the Answers, write the docket number that appears on the fourth line at the upper right hand corner of the Notice. Below that write your building address.
4. At the bottom of our prepared Answer to Notices, print your name, apartment number, and date and sign it.
5. As you did last time, make one copy of the original Notice, and the Answer to Notices for future use.
6. Mail the Notice and Answers to Notice to: State of New York, Div. of Housing & Community Renewal, MCI Unit, 92-31 Union Hall St., Jamaica, NY 11433.
7. Although not required, for your protection we recommend you mail your response using a method that provides you with proof of delivery. i.e. Certified, return receipt requested, USPS Express mail, Overnight mail, discounted Second day or Third day delivery by UPS, DHL, or Federal Express, or any method that provides you with a receipt.

DHCR will then request the Owner respond to the Answer to Notice. Based on the Owner's Answer to the Tenants Answer and a review of the facts, DHCR will issue a decision on the Owner's application for a rent increase.

Thank you for your help.

Sincerely,



Al Doyle

REPAVING

Answer to Notice

This MCI Increase Application for Repaving is defective and must be denied.

The contractor, Prima Paving, submitted a letter claiming the cost of the work was \$12,356,077.00 including change orders. The average claimed cost per building is \$138,832.32.

1. Contract

The cost of work was divided between “new work” and “old work”. The “old work” was performed for Rose Assoc. and the “new work” was performed for Tishman-Speyer. The “new work” = \$6,243,813.20 (including 13 change orders) and the “old work” = \$6,112,263.90 (including 11 change orders).

A contract between Rose Associates and Prima Paving was attached to this MCI Application. This contract was not signed by Rose Assoc. and it did not have a cost or contract sum on the contract. There is no contract between Tishman-Speyer and Prima Paving.

No drawings or other documents were included to indicate the scope or quantity of work performed. There is no indication of where this work was performed. Also the “old” contract is dated 3/1/06. There is no indication when this contract ended or if it is still eligible for MCI treatment.

2. Change Orders

The change orders (for both new and old work) in many cases do not apply to repaving, but cover work such as retaining walls, cobblestone curbs, 4 in. PVC pipe, work stoppage/resumption, upgraded concrete for sanitation pads and container pads, foundations for benches and re-set cobblestones, re-setting cobblestones, full-depth asphalt, concrete in lieu of cobblestones, cobblestones in lieu of concrete, drainage stone, accelerant, handicap ramps, and temporary asphalt walkways. These change orders are not part of repaving and are not eligible for MCI rent increases.

3. Commercial Allocation

This MCI Application fails to account for the commercial allocation of the MCI costs. The repaving serves many businesses, stores, sidewalk cafes and professional offices in the complex.

4. Workmanship

The walks, crossroads and roadways have developed many cracks and are already in need of repair. Many areas of the property have standing puddles of water after a rain shower. This installation was not completed in a workmanlike manner, and must be rejected.

5. Governmental Permits

This MCI Application fails to include governmental permits, approvals or sign-offs even though they are required by NYC regulations.

Conclusion: For the foregoing reasons the MCI Application must be denied.

Name: _____

Apt #: _____

Date: _____

Signature: _____

Docket # _____

Bldg Address _____

WATER TANKS

Answer to Notice

This MCI Application covers four (4) different items of work: Water Tank Replacement, House Pump Replacement, Valve Replacement and Environmental Services. This MCI Application is deficient and must be rejected.

1. Work Dates

The work dates of the various work items indicate that the different items were not performed in connection with one another. The water tank replacement commenced on 10/4/04 and completed on 7/6/09. The water tank installation started 15 months before the start of any other work. The water tank installation was performed over a 33-month period. Each tank would have taken, on average, 4 months to complete, which is beyond the period set for the completion by prevailing industry standards. The work dates indicate that these work items are unrelated. Industry standard would dictate that the Water Tanks and House Pumps be completed as one operation to minimize water service interruption.

2. Commercial Allocation

This MCI Application fails to account for the commercial allocation of the MCI costs. The water tanks will be servicing many businesses, stores and professional offices in the complex.

3. Schedule of Major Capital Improvements

House pump replacement and isolation valves do not appear on the DHCR Schedule of Major Capital Improvements and are not eligible for MCI treatment.

4. Change Orders are Defective

Water Tanks: Change Order #1 is missing. The scope of the other change orders is not known.

House Pumps: There are four (4) change orders and two (2) change order requests. These change orders lack explanation or documentation and cannot be approved.

5. Claimed Costs

Water Tanks: The contract sum is \$382,823.91, but the claimed cost is \$450,832.91. There are no documents to explain this difference.

House Pumps: The contract sum is for \$1,139,000.00, but the claimed cost on the MCI Application is \$1,372,839.22 and the final cost is \$1,701,711.40. There is no explanation for these different costs.

Isolation Valves: There is no explanation of this work. There is no quantity of valves replaced, location of valves, or explanation of work performed.

6. Itemization

The application fails to provide worksheets, daily logs, time records or other data pertaining to the various items of work.

7. Government Permits

This MCI Application fails to include governmental permits, approvals or sign-offs even though they are required by NYC regulations.

8. Environmental Services

The contractor AKRF Inc. was to perform soil analysis, however, the AKRF proposal is based on “due diligence”, “property acquisition” and “compliance”.

The work detailed in the AKRF proposal has nothing to do with the water tank replacement and must be rejected.

9. Room Count

The landlord has filed numerous applications with the NYC Department of Buildings to construct new interior partitions. These new interior partitions create new additional rooms, increasing the number of rooms in the building.

Conclusion: For the foregoing reasons the MCI Application must be denied.

Name: _____

Apt #: _____

Date: _____

Signature: _____