

N.E.R.V.E NUEVO EL BARRIO REHABILITACIÓN DE VIVIENDA Y ECONOMÍA, INC. 18 E. 116TH STREET, NEW YORK, NY 10029 (212) 427-0555/6

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July 29, 2014

Dear Community Leaders of El Barrio:

The Blumenfeld Development Group addressed a small attendance of property owners and interested parties of East 118th Street last night to lend a small light onto their massive plans. Unfortunately after this meeting, attendees felt left in the dark, with more questions raised than answered. A conceptual drawing of 118th Street was presented showing every inch of BDG property maximized for retail commercial usage, while suggesting the public street from Pleasant Avenue be capitalized as a protected plaza for their extended outdoor seating and window shopping promenade. A curtain wall of large fabric façade featuring advertising artwork was presented that appeared as an optical illusion from the angle perspective that it was drawn from. It showed a larger area than actual with mirrors of walls reflecting still more non evident space to appease the visual as a selling point of the BDG project leading into their one and only residential entry vestibule into their planned urban development (PUD). The project of three connected 50 story residential complexes that will house 1,100 dwelling units and over 3,000 residents capsulated within such a small footprint of prime real estate land along the East River. The current residents are concerned with the high volume density problems this project will bring. The immensity of this PUD was glossed over with smoke and mirrors, leaving current residents of the street wondering what other sacrifices they will be compelled to make to benefit this BDG project. Thousands of new rich residents will enter and leave from 118th Street. This quiet street may not be ready for this shocking revelation. The current closed street cul de sac will be expanded at its head enlarging the turn around space as a permanent fixture benefiting the vestibule entryway while explaining the necessity for this as to allow fire truck turn around space. This will wipe out the available street parking for current residents of the block in which Blumenfeld did not have an answer. This project will create more problems than necessary to benefit the speculative investors in this venture at the expense of everyone else.

The project was presented as a financial package consisting of a Tax Exempt Bond Issue complimented by a myriad of available public subsidy housing development funds including 421A Tax Abatements, Low Income Tax Credits and other downtown "As Of Right" public subsidy financing. Height, air and light will be captured by the PUD as an amenity benefitting the rich new residents along the river, while poorer residents on the other side of the towers will be shadowed and cut off from the existing river breezes spreading gloom over the neighborhood over what was lost to benefit the BDG project. The existing area gardens will be destroyed by the lack of sunlight that will not be permitted to enter the community. These gardens took many years of support to establish themselves as community resources for our families, our elders, and children. The Tax Abatement that will be enjoyed by this project will be targeted to the BDG operation property line. All other adjacent property owners will witness a marked increase in their property taxes, while BDG will be exempt from their fair share for many years under a deal that they are unwilling and are not yet ready to divulge to the

community. The neighborhood will be see marked increases in every area and basically we are afraid that most current residents will be burdened by these increases. BDG however, will be shielded by their public subsidy discounts unavailable to other area owners and residents. These unfair discounts will add up to out price those with limited incomes who will not be able to keep up with the increases that will be directly attributed to this new development of 1,100 apartments and approximately 3,000 new residents.

As you know; as the economy begins to improve, market forces will become more attractive to invest more widely throughout Spanish Harlem. This will exacerbate a precarious situation for our poor and low income families who certainly will be pressured to pay higher rents that they cannot afford. Consequently, they will be forced to leave El Barrio which will certainly create a traumatizing force affecting their cultural roots based on language and customs. Where will they be able to afford go? This exclusionary displacement will be targeted to all our low income community residents by rich and powerful highly sophisticated downtown operatives.

Blumenfeld Development Group (BDG) is now moving to expand their property at East 117th Street and FDR Drive in Manhattan to build 1,100 new apartments that will command high market rates unaffordable to our current residents. Greater investments will spiral a gentrification cycle that will ultimately raise property values, increasing property taxes that most East Harlem small building owners will not be able to afford. These increased tax burdens will allow speculative investors to buyout community property owners that will change the face of our neighbor forever.

The community is afraid and fearful. We need to develop and offer them the tools that will allow their active participation in determining some future for them in El Barrio. Without a comprehensive strategy, they may become agitated and reckless. We have seen and dealt with this during the many riots caused by economic recessions combined with electrical shortages lowering the police departments guard and ability to control mob fueled anger. We advise against this. We implore you to assist us by supporting our idea to develop sound alternative project amenities that will address our community needs. **We oppose the project as presented.**

Thank you for your time-

Roberto Anazagasti, General Manager