



NEW YORK STATE SENATOR

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## SENATOR DÍAZ, ASSEMBLYMAN SEPÚLVEDA, AND THE RESIDENTS OF PARKCHESTER SOUTH WILL HAVE THEIR DAY IN COURT AGAINST PARKCHESTER SOUTH MANAGEMENT

SEN. RUBEN DIAZ March 28, 2016

### WHAT YOU SHOULD KNOW

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You should know that Assemblyman Luis Sepúlveda and I have been leading the fight against the draconian and unsubstantiated hike in maintenance fees at the Parkchester South apartment complex here in Bronx County.

It is important for you to know that on March 23, 2016, we, along with the support from condo owners and renters, filed a lawsuit in Bronx County.

As the owner of a Condominium in Parkchester South, I am the lead plaintiff in a lawsuit, where we are seeking to block Parkchester South Management's 15.9 percent maintenance hike until the Parkchester South Management explains in detail the need and process for recovering costs for repairs to the aging buildings.

We were all encouraged on Friday, March 25, 2016 to learn that an Order was issued in New York State Supreme Court barring, for now, Parkchester South Management from pursuing any eviction proceedings against residents for withholding payment.

On March 25, Bronx State Supreme Court Justice Ruben Franco ordered Parkchester South Management to "take no steps to evict unit owners for failure to pay the 15.19 percent from February 1, 2016 until or after April 4, 2016," pending a court hearing on that date.

On April 4, we will ask the Court to assist us in regard to this maintenance fee hike of almost 16 percent, which is unprecedented, and to ask the Court to help us to find out what crucial financial information, records, and "unknown computations relating to unverified costs" for repairs have been kept secret from Parkchester South's residents.

The lawsuit charges that Parkchester South Management has failed:

- to provide an accounting and backup documentation of the bidding process used
- to select the contractor(s) who performed the repairs
- to demonstrate to individual unit owners that management utilized the most cost-effective course for the repairs
- to honor its fiduciary duty to give individual owners a way to readily review the condominium's books

- to provide an independently audited review of the relevant financial records
- to provide a full explanation of and justification for the computations employed and their underlying methodology in determining the increases imposed on owners, or
- to utilize an objective and independent accounting firm to ensure that the individual owners can review a proper audit for the last three years, including revenues and expenditures relevant to the increases in question.

You should already know that during the past couple of months, Assemblyman Luis Sepúlveda and I have held Town Hall Meetings where hundreds of Parkchester residents joined us to express their outrage about Parkchester South Management's maintenance hike.

We have implored Parkchester South Management to demonstrate transparency, and show us their past and future budgets so we could try to understand why this sharp spike in fees would be imposed on the residents. They refused.

On February 10, we were joined by dozens and dozens of residents at a public protest outside Parkchester South's Management Office. We promised legal action, and Management ignored us.

Assemblyman Luis Sepúlveda and I continue to refuse invitations to meet behind closed doors with Parkchester South Management, and continue to insist that any meetings are to be done in the presence of the residents whose lives will be affected by their staggering and unaffordable maintenance increase.

And so, ladies and gentlemen, on April 4th, Assemblyman Luis Sepúlveda, myself and the residents of Parkchester South will have our day in Court. My hope and prayer is that the

Court will help us to find a way to prevent the pending economic disaster that Parkchester South Management has in store for the owners and renters of their 8,286 units who never saw this coming.

I am Senator Rubén Díaz and this is what you should know.