



Banana Kelly Community Improvement Association, Inc.

2016 Annual Report

As a people's movement and provider of crucial services, Banana Kelly had another incredible year. What follows is a review of our accomplishments during the year and a brief look at what is in store for 2017.



- ✓ *Affordable Housing - 2016 saw the completion of rehab on the three buildings on College Avenue. 850 Longwood Avenue finally converted its construction loan (see www.bkcianyc.org for the full story) and JOE NYC hit the ground running, with the transfer of its first properties into this collaborative ownership model.*
- ✓ *MSC Program - In 2016 we continued our services to families with developmentally disabled members. Currently, we provide services to consumers in the Bronx and Upper Manhattan.*
- ✓ *RAP/Supportive Housing - This was our 19th year of providing a Supportive Housing Rental Assistance program. RAP assists formerly homeless and long-term disabled individuals with rental subsidies and support services.*
- ✓ *Case Management – We ensure that Banana Kelly residents receive all available services, provide linkages to other supportive programs, and work with residents to prevent eviction due to circumstances beyond the control of our residents.*
- ✓ *Healthy Communities - In 2016 we greatly expanded our Green Infrastructure initiative by establishing our Healthy Communities initiative, which not only included the development of a new community garden on 146th Street but also an entire new healthy living program for our residents. We also laid the ground-work for the establishment of a new food pantry on Hoe Avenue in collaboration with New York Common Pantry.*
- ✓ *Community Organizing – Our community organizers expanded our resident leadership through increased representation and participation in our Resident Council, Kelly St. Block Association, and youth work at Banana Kelly High School. We also greatly expanded our partnerships with other local and city-wide groups. And in 2016 our residents greatly expanded their involvement in city-wide campaigns.*
- ✓ *ESL - We continue to partner with New York City Communities for Change to provide ESL classes to our residents. Over 120 attended our classes. Our GED program continued with dozens of participants.*
- ✓ *Youth Educational Program - 2016 witnessed another successful Summer Camp and After School program. We continue to increase participation and involvement by area children.*
- ✓ *Interns and Fellows - In 2016 we had the honor of having 4 interns and fellows assisting us in our housing, outreach, organizing and environmental efforts.*

Affordable Housing: College Avenue rehab was completed in 2016. While performing a total rehab, residents were temporarily relocated to other buildings within the Banana Kelly and Wavecrest portfolios. All residents returned to their homes by mid 2016.



Figure 1 Renovated lobby at Simpson

850 Longwood Avenue also converted from a construction loan to a permanent loan this year.

A good part of the year was spent preparing an application to HPD and HUD to convert 788 Fox Street through the Rental Assistance Demonstration Program. Through this program, the building will receive necessary capital improvements and apartment upgrades, residents will continue to receive rental subsidies, our rental subsidy contract will go from one year to 15 years, and tenants will be able, after a short time, to apply for their own Housing Choice Vouchers without the apartment

losing its project-bases rental subsidy status.

Core Portfolio Capital Improvement. Some of our oldest buildings came under Banana Kelly control in the late seventies through the early 1990s. When Banana Kelly obtained a new board in 2002, these properties were a disgrace, but also reeling in debt. We refinanced these properties and did the most urgent work, but work still had to be done. In 2016, we laid the groundwork to redevelop these properties. We hope to identify potential sources of funding in 2017. This work was accomplished in addition to the tremendous amount of regular repairs we performed across the buildings within our portfolio including fixing broken doors, plastering walls, replacing light fixtures, upgrading plumbing and electrical, painting apartments and hallways and replacing floors when necessary.



Figure 2 New energy efficient lighting at Home Street

783 Beck Street. After we completed a comprehensive weatherization assessment to determine the condition of the building's roof, windows and exterior brick work, we installed the new boiler. In 2017 we plan to begin the installation of roof insulation and energy efficient appliances and fixtures throughout the building.

At *1084-86 Home Street* we concluded the comprehensive weatherization assessment to determine the overall condition of the building's exterior envelop. We installed a new boiler as well as new light fixtures throughout the common areas. We

also repaired the gas pipes throughout the building at an approximate cost of \$100,000.

At *580 Southern Boulevard* we installed new windows throughout the building. In early 2017 we will complete the installation of a new boiler.

We completed the 100% replacement of windows at *824-834 East 161st Street*.

At *750, 760 and 770 Bryant Avenue* we replaced all the windows in approximately 150 apartment units.

We completed the substantial rehab construction at *914 Simpson Street*, with its 32 units (755 Dawson Street was completed the year prior), all residents returned to their apartments and we are currently preparing to close out the construction loan for this 9% tax credit project. Once we have qualified and stabilized occupancy and buy out the construction loan with equity proceeds, we will work to replace Banana Kelly as GP with the JOE LLC. We expect this to occur in the first half of 2017.

Also in 2016 we were able to supplement our initial scopes with Property Condition Reports (PCRs) for the 19 buildings in the core portfolio (totaling about 440 units). Initially, given the higher interest rates of our CPC loans, we thought it would make sense to simply refi and dedicate any excess proceeds to completing necessary work in the buildings. But when we prepared the pro formas for a sample building, the financial outcome was so close to the margins of financial viability that we decided to revisit this plan and perform some necessary work with weatherization funds that were available to us. Given this complication, we have reached out to LISC to work with us on pre-development issues.

Back in 2015, we negotiated the exit of our for-profit partner at *830 Fox Street*, a 4% HDC tax exempt bond deal. And although we were successful in that negotiation, the syndicator, WNC, declined to accept our organization as replacing the guarantor partner for this project. However, this past year we were able to obtain the syndicator's approval. We will be replacing CPC Resources as our partner with two JOE NYC members – MHANY and St. Nicks Alliance.

East Harlem/El Barrio CLT. In collaboration with CATCH – a citywide mutual housing association – and working with Picture the Homeless and the East Harlem/El Barrio Community Land Trust, we have identified four buildings where the tenants have opted to become part of a mutual housing association, with a community land trust component attached. Due to confusion caused by a change in the city's Tenant Interim Lease Program (the disposition program is now call ANCP), it has taken a while to get the city to work with us on setting this up as a pilot project, which would give residents who do not choose the tenant cooperative path to have an option other than becoming a private rental building.

919 Prospect Avenue. Working with residents who are doing battle with a landlord high on the Public Advocate's list of the city's worst, we have successfully organized the tenants in a functioning tenant association, secure the services of Urban Justice Center, which now serves as attorney for the tenants, and gained support from local elected officials. Having filed a petition in Housing Court for appointment of a 7A Administrator, the landlord filed for

bankruptcy in an attempt to delay any local housing court proceedings. Urban Justice Center was able to secure pro bono legal help from Stroock, Stroock, and Laven to challenge the filing. As of this writing, we await the results of the hearing to vacate the automatic stay in Housing Court.

Finally, in 2016 JOE NYC hit the ground running. JOE NYC is a city-wide effort in which Banana Kelly and about 10 other community development corporations agreed to consolidate our collective housing portfolios so that we can better compete with the private sector and stem the further loss of not-for-profit housing to the private sector. This past year witnessed the first transfer of properties to the JOE. And while HPD imposed a few requirements regarding disclosure that will need to be resolved prior to further transfers, we hope to have these issues settled early in 2017.

RAP Program: Our Supportive Housing Rental Assistance Program (RAP) which is funded by the US Department of Housing and Urban Development, continued to target homeless and disabled individuals, has both a rental subsidy and a supportive services component. In 2016 there were 25 participants and two case managers. Seven participants were approved for Section 8 and in addition to those seven new rental assistance slots, we were adding one more due to a projected surplus in the RAP budget.

MSC Program: Our Medicaid Services Coordination Program continues to serve the most vulnerable of our neighbors. In 2016 we grew the program by serving 133 participants and we end the year with several cases pending. In 2017 we are hoping to reach 150 participants. We are outreaching to include local churches, schools and other community institutions to offer more services to more families. We continue to reach out to our residents who are in need of assistance, mostly to prevent eviction and homelessness. All who seek help have access to our case management services, where we work to ensure receipt of all available services and provide linkages to other supportive programs. Specifically we are partnering with two local schools in order to expand



Figure 3: Honorees of our 2016 MSC Annual celebration

the program to those most in need.

One of the MSC participants is registered in the Miss USA NY Pageant. Banana Kelly sponsored the participant in the endeavor which get underway in early 2017 with a trip to Albany for the Miss New York Pageant. And even though our participant did not win the Miss New York title, she did extremely well, made us all proud, and was voted by her peers as Miss Amity, a title given by other participants to one who exhibits the true spirit of the event.

Case Management Services: We continued our Case Management services to assist the most vulnerable of our residents in keeping their homes. In 2016 we were able to provide assistance

to hundreds of South Bronx residents who were in danger of becoming homeless. Residents were provided access to rental assistance programs, supportive services and other government and private programs to stabilize their living situation and prevent homelessness.

Campaign Work: In 2016, many exciting campaigns immersed and advanced through City Hall and our membership was at the forefront. Residents gave testimony, rallied, and met with local officials to help advance and strengthen measures to protect and expand low-income housing.



Figure 4: Residents participate in an action on the planned rezoning along Jerome Avenue

At the start of the year, residents rallied at City Hall to unveil the Gaining Ground Initiative. This initiative has several components that revolve around expanding community land trusts for low income-housing development and transitioning units out of the Cluster Site homeless program. In order to better assess how much city vacant land would be suited for low-income housing development, our

residents testified at City Hall to pass the Housing Not Warehousing Act. Members shared personal testimony of homelessness and displacement and urged the City to take action to bring transparency to the amount of and future for vacant/underutilized land that the City owns.

Our residents also rallied and testified in support of Right to Counsel, a bill that would provide a housing attorney for low income individuals in eviction proceedings. This bill is essential to helping curb displacement and it has been widely proven that this measure would be both cost-effective for the city and a step in evening the playing field between tenants and landlords in housing court. Now, if 2016 was an exciting year, 2017 will be even more dynamic as we prepare for our involvement in many more causes that affect our residents!

Healthy Communities. We remain committed to advancing environmental and “green” programs as a part of all of our work. And this past year we expanded the program into our Healthy Communities Initiative. Here are a few highlights:

The Kelly St Garden continues to break barriers and this year we were able to



Figure 5: Before and after images from our newest garden located at 146th Street

distribute an *incredible 1,092lbs.* of produce to community members! We've been able to have an increase in the amount of produce distributed from last year by *417lbs.*

We held 10 cooking workshops in the spring and summer season that used produce grown from the garden. Each cooking workshop was led by a different community member.

In 2017 we are positioning ourselves to increase the amount of youth involvement and creating an educational platform to teach the importance of healthy food.

Our newest garden is located at 331 E 146th St. The garden was created in partnership with Rebuilding Together NYC, LISC, Banana Kelly and Resident Leaders and were involved in all aspects from design to construction to implementation of garden programs and activities. The construction of the garden started in May 2016 and it was officially finished in August 2016. And with the help of the Kelly St Garden Committee we were able to set up workshop sharing program to teach community members how to grow crops. This first summer we were able to grow 175lbs of produce. The open space in the garden is being utilized for community events including a Halloween Event and Christmas/Holiday party where we provided presents for the children in the community. We were recently awarded the "Love Your Block" grant to beautify the neighborhood. Our success has been to provide healthy food to the community but also create a safe place for everyone. A place for people to have community activities. One of our goals for 2017 is to actively involve more community members in the garden. We also plan to create a neighborhood association. As part of the "Healthy" aspect of the Healthy Communities initiative, we hosted a variety of nutrition education, cooking classes and food justice: cooking skills to make healthy food on a limited budget; knowledge about what foods make for healthier alternatives; and we created a food justice campaign.

These culinary education workshops take place at the Kelly St Garden room and in 2017 we plan to expand to other locations. In 2016 during the Spring and Summer season Kelly St Garden Committee hosts cooking workshop on a mostly weekly basis. Every Kelly St Garden committee member hosted a cooking workshop, which involved using ingredients from the Kelly garden and/or from the 146th Street garden. During the Winter season we will be hosting herbal medical workshop from the produce grown in the garden. Attendance at these workshops averaged approximately 12 participants.

Banana Kelly with the partnership of BuildOn created a Food Justice Campaign for High School students at Banana Kelly, Bronx Lighthouse Charter School, and surrounding schools. We partnered with BuildOn to recruit the high schools to participate. During the summer two high schools interns created a three-day Food Justice Campaign



Figure 6: One of the many Healthy Food workshops.

to educate other students about what a food desert is and how to create a campaign to have your voices heard. The participants numbered 30-55 high schoolers during the three-day campaign.

Finally, one of the programs we are most excited by is our partnership with the New York Common Pantry. We anticipate that early in 2017 the New York Common Pantry will open at our building located at 1290 Hoe Avenue. The Common Pantry will be a distribution center catering to the most in need of assistance from our neighborhoods, of course, but it will also be a place where South Bronx residents will have access to a wide range of social services.

Community Organizing: In terms of fostering resident engagement, our community organizers continue to expand the Banana Kelly Resident Council. The Council is composed of our residents, and residents of the Hunts Point Longwood Community who engage in advocacy and organizing around self-identified issues that relate to the expansion and sustainability of low-income housing in the South Bronx.

This year, two of our resident leaders established a neighborhood association in Morrisania, another resident leader established a tenant association in her building at 982 Leggett Ave, and we continue to grow and expand the Kelly St Block Association.

In addition to organizing to develop community linkages and infrastructure, our Resident Council also assumed leadership and supporting roles in city-wide campaign efforts. One multi-year campaign, in which we worked alongside Picture the Homeless, involved rent stabilized units that were removed from the market and placed in the cluster sites then returned back to the rent stabilized market with first right of refusal being given to families currently residing in these units. The campaign took a drastic turn when the de Blasio administration announced it would be terminating the program by 2019. Although we were excited to hear that the administration is committed to ending this failed program, we are skeptical about what is going to happen to the approximately 3,500 units and 10, 000 individuals as many of the units are in ill repair, are not in contract but rather managed under a “hand-shake” deal between the Human Resources Administration and landlords, and we have not seen a clear path to what is going to happen to the units and the families within them after the termination date. Our goal over the next phase of this campaign is to have the residents within the cluster site units be given rent stabilized leases provided that the apartment is of legal size to accommodate the family, in livable conditions, and the units be made affordable to families through allocation of subsidies.



Banana Kelly also supported the Bronx Coalition for a Community Vision and its work surrounding the Jerome Avenue rezoning campaign. This rezoning will have a massive impact on the South Bronx. The zoning area covers two community boards, 14 neighborhoods, and

will add a new community board's worth of population to the West Bronx. If this rezoning goes through, the impact will be devastating. Certainly, there will be direct displacement of tenants, direct displacement of businesses and jobs, and indirect displacement, which is already happening. Because of the size of the rezoning area and the proximity to our community area we anticipate there being displacement effects in the Hunts Point/Longwood area. We are already seeing a spike in speculative buying in the Hunts Point region in anticipation of the Metro North station opening in the area as well as the redevelopment of the former juvenile detention facility on Spofford Ave. The Jerome Ave rezoning will only increase the pressure to develop the Bronx and quickly and 2017 will be a decisive year.



Figure 7: One of our ESL classes

English as a Second Language and GED Programs. In partnership with the New York City Communities for Change, Banana Kelly operates an ESL program that in 2016 served over 100 adults from our neighborhood. This year we relocated to 970 Prospect Avenue in a larger space. In our community there is a growing immigrant population and an increased need for English language programs. Over the next several years as the immigrant population grows, we intend to grow the program to reach more of our community residents by offering additional times that classes are offered. Finally, in 2016 our GED/TASC prep program for our adult population grew to about two dozen participants.

Youth Education Program (YEP). Summer Camp and After School. YEP's goal is to provide our area children with a supplemental educational experience that provides the necessary support and assistance to prepare for and succeed in their studies. The After School Program is designed to: (1) provide an outlet for a safe, productive, after school experience that supplements and complements in-school lessons; (2) provide venues for homework completion, independent study, and group achievement; and (3) utilize curricula geared towards providing our children with the opportunity to relate to subject matters in ways that stimulates and inspires real learning and



Figure 8: Children participating in a book talk.

lead to excelling on the ELA exams. Our Summer Camp is a vital complement to our efforts to assist families through the development and management of affordable housing and social services. Campers are exposed to new experiences, able to develop special bonds, explore career paths and most importantly had fun. This past summer campers were provided with

opportunities to expand their horizons through regular field visits to museums, zoos, movies, open spaces and parkland. Combined, there were approximately 90 area children who attended our 2016 YEP programs. And this year we have added a connection to our Healthy Communities program. Utilizing the large outdoor green spaces located at several buildings within our portfolio, we have hosted nutrition, planting, and environmental workshops with our afterschool and summer camp children.

Fellows and Interns. This past year Banana Kelly was fortunate to be a part of the Cashin Fellow program, the Morgan Stanley Fellows program and have two High School Interns from the Banana Kelly High School. Our interns work on many of the



Figure 9: Colin Murphy our Morgan Stanley Fellow

projects and initiatives mentioned above and were integral to our successes. Some of the projects included: performing a comprehensive survey of our residents, with a particular focus on uncovering the needs of our senior and disabled residents; coordinating our partnership with Banana Kelly High School; developing a comprehensive management protocol for tracking energy and water usage; updating the complete databases of our housing units; and assisting with our community outreach efforts. We greatly appreciate all the work our interns and fellow do for Banana Kelly.



Figure 10: High School Interns (left and center) Emmanuel Corra and Tieguai Sorhaindo; Cashin Fellow Zsanelle Morel

With the help of our friends, consumers and funders we look forward to making 2017 an even better year. Looking ahead we intend to continue to save and rehab much needed affordable housing units, of course, but also to impact the restoration of neighborhoods plagued by blight, neglect, abuse, drugs, crime and desperation by residents with no viable housing choices, through a stronger resident base, stronger ties to other community development corporations and a stronger local business community.

Banana Kelly Community Improvement Association, Inc.

863 Prospect Avenue

Bronx, NY 10459

www.bkcianyc.org

718.328.1064

info@bkcianyc.org

**We would like to express our heartfelt thanks to the following
2016 Donors and Funders**

AAD Construction Corp.
Kevin Alter
Lee M. and Jeanne K. Allen
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Karen Backus & Alan Goldberg
Christopher and Arianna Beck
Benchmark Title Company LLC
Marcy Benstock
Diane Blum
Rev. Theodora Brooks
Builders R Us Construction
Ann Cannarella
Capital One Bank
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