



HOUSING & COMMUNITIES

THE ANNUAL PUBLICATION OF THE PARODNECK FOUNDATION

Working with People to Build Better Housing for Better Communities

PRESIDENT'S REPORT

The New York — and South Bronx — State of Mind

New Yorkers are seldom at a loss for words, and our opinions usually run very close to the surface, emerging at the slightest provocation. New Yorkers are also a resilient lot: it takes a lot to rattle us.

Over this past year, I have had the opportunity to work with a particularly opinionated and resilient group of New Yorkers—the residents of buildings sponsored and controlled by Banana Kelly Community Improvement Association, Inc. In November 2002, at the request of New York State Attorney General Eliot Spitzer's office, I agreed to take over as interim President of this organization together with an entirely new board headed by former Bronx Borough President Fernando Ferrer.

When I began working at Banana Kelly I found the residents angry and frustrated. Their buildings had been neglected for the better part of a decade. Rent money and government money had been spent and largely squandered. Drug dealers had taken control of some of the worst

buildings. Residents had become accustomed to being dragged into housing court, even when they had receipts proving they had paid rent. Banana Kelly's previous leadership and property management staff had typically responded to legitimate tenant complaints with arrogance and self-righteous indignation, frequently blaming the tenants for problems in the buildings.

But now, after a year of working with residents and others, hope has replaced despair, participation has taken the place of withdrawal, and there is camaraderie where there was previously anger and recrimination. Banana Kelly is undergoing a positive shift in direction, and significant organizational changes are

now underway. Above all else, this reversal has been effected by one very simple but very important change — a change in this organization's attitude towards people. Community development is all about respecting people — for their abilities, for their commitment and for their experiences. In

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Banana Kelly present: BK Executive Director Orlando Marin, Councilmember Jose Serrano, former Borough President Fernando Ferrer, and Doug Timmins of JF Contracting during a tour of renovations at 788 Fox Street HDFC

INSIDE

Parodneck launches Bronx project to stop predatory lenders

CATCH celebrates construction completion in Central Harlem

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After forty years of active and dedicated service, **Dr. Harold Wattel** resigned from Parodneck's Board of Directors this year. Dr. Wattel served as a link to the days when the Parodneck Foundation was a milk cooperative, and his wisdom and experience will be missed. As a token of the our appreciation, the Foundation's board and staff presented Dr. Wattel with a plaque reading:

*Our appreciation for over four decades of service in the cooperative and self-help housing fields, on behalf of the tens of thousands of consumers assisted by our work, made possible in no small way by your dedication and unselfish leadership.
 The Parodneck Foundation.*



Left and right:
 The Parodneck
 Foundation
 Board of
 Directors in
 action



THE PARODNECK STAFF



THE STAFF: Left to right, back row: David Hurd, Carlton Collier, Robin LeBaron, Harold DeRienzo, Gwynn Smalls, Sotirios Assimicoplous, Paul D'Ascoli, Howard Banker, and Bethania Aguasvivas; Middle row: Akua Pace, George Banks, Miledys Morales, Ismael Laboy, Virginia Ortiz; front row: Thomasina White, Garnold King, Renee Lindo. Not in photo, Tadessech Scott

Our Intern: Olulayo Okunola

In the summer of 2001 I was a high school graduate expecting to start college in the fall. I went to Seneca Center to look for a summer job, and they assigned me to the Parodneck Foundation.

At the Parodneck Foundation they are not just workers but family because they are united and love each other. What really motivated me is the humility of the president Harry DeRienzo and my supervisor, Thomasina White, who wants me not only to make money but also to acquire more job skills.

I am learning so much at the Foundation. I have learned to use the copier, fax, typewriter, and computer. When I first came to the Foundation I was computer illiterate, but now I am proud of myself for increasing my computer knowledge. Also, working at the Parodneck Foundation has enhanced my ability to communicate, because my supervisor has encouraged me, and taught me not to be afraid when speaking with people.

Through Parodneck, I was able to find a better home for my family. I learned that there was a vacant apartment in a CATCH building. My family applied and was chosen by the building's selection committee. I feel safe in this building compared to my previous home.

I thank everybody for their moral support and for sharing their knowledge with me. I am looking forward to learning more and seeing the employees' love for each other remain strong.



Olulayo Okunola

THE FRIENDS OF PARODNECK HELP FOUNDATION & CLIENTS



(Left photo): CAC members and PF staff. Front, from left to right: I. Joyce Lawrence and Marie Morency; back from left to right: Robin LeBaron, Marie Thompson, Jacqueline Rhoden, Thomasina White, and Jordi Reyes-Montblanc



(Right photo): Students at the Unity High School were some of the most enthusiastic contributors to the Friends Christmas Food Drive.

In 2003 the Parodneck Foundation's Consumer Advisory Committee, a group of former clients who advise us about our programs and activities, chose an exciting new project. Inspired by the success of last year's Washington Mutual walk-a-thon for affordable housing, they founded the Friends of the Parodneck Foundation, a new group that will organize voluntary activities to help Foundation clients and will raise money from our many friends and supporters. The Friends have already raised over \$3,000 for the Foundation, and have sponsored a food drive to assist residents of CATCH-affiliated buildings.

The photos on this page show the results of food and toy drives by the Friends, the Central Harlem Mutual Housing Association, the Children's Aid Society, and the Parodneck Foundation staff.



Left and far left: Members of a family referred by Miracle Makers, a social service agency, opening gifts donated by the Parodneck Foundation staff.



CHMHA President Marcia Evans doing her thing at the CHMHA / Friends of Parodneck year-end celebration.



Children at Christmas party sponsored by CHMHA and Friends of the Parodneck Foundation



CATCH ANNUAL REPORT

The Parodneck Foundation's CATCH program focused primarily on housing rehabilitation projects this year, completing renovations at seven buildings in Central Harlem and two in the South Bronx.

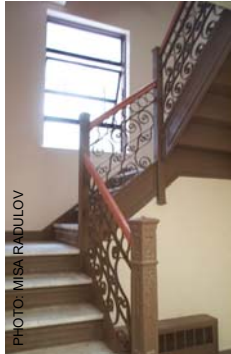
It also continued to support local efforts to build and expand resident-driven mutual housing associations in the South Bronx, Central Harlem, and Washington Heights.

SIX-BUILDING HARLEM PROJECT COMPLETED

Three years ago, the residents of six buildings on Bradhurst Avenue and 152nd Street endured the many problems endemic to city-foreclosed properties. In 184 Bradhurst Avenue, residents complained about constant

no household will pay more than thirty per cent of its income in rent.

Speakers at the July press conference, including HPD Deputy Commissioner Kim Hardy, The Enterprise Foundation Director Rafael Cestero, City Councilmember Robert Jackson, and CHMHA president Marcia Evans praised



From left to right: Façade of 226 Bradhurst Avenue; interior stairwell of 226 Bradhurst Ave; Renovated kitchen and dining room; and Misa Radulov of LSGS Architects and Milton Ierides of JF Contracting surveying their work.

plumbing leaks. At 302 West 152nd Street strangers regularly broke through the entrance door and spent the night in the lobby. In 301 West 152nd Street the joists supporting one section of the building began to give way, forcing the city to carry out an emergency evacuation of two households.

Many residents doubted that things would ever change. Others feared that the city would sell the buildings to a for-profit owner who would raise rents dramatically.

In July, building residents joined local elected officials, representatives from the City's housing department (HPD) and the Enterprise Foundation, and CATCH staff at a press conference to celebrate the end of construction work at these properties. The buildings have been fully renovated and redesigned. The apartments are much more spacious, and have hardwood floors, large windows, new appliances, and high-quality finishes. The systems – the boiler and heating system, the plumbing, and electrical wiring – are also brand new and will serve the building for years to come.

Best of all, no one was displaced by the project. The tenants living in the buildings when CATCH started working with them are returning to apartments specifically designed to meet their family needs. Rents range from \$178 to \$690, and

the high quality of design and construction, and emphasized that the project contributes to the redevelopment of Harlem while providing affordable homes to existing residents.

JF Construction was the general contractor for this project, and Larsen Shein Ginsberg and Snyder (LSGS) Architects the architectural firm of record.

HIGHBRIDGE PROJECT PASSES HALF-WAY MARK

Two out of the three Summit Avenue buildings slated for gut rehabilitation through CATCH's Highbridge project were completely renovated during 2003, and existing tenants and a number of new residents have already moved in to their permanent apartments. Like CATCH's recently completed Central Harlem project, the properties were previously owned by the City of New York, and the city is funding the rehabilitation through its Neighborhood Redevelopment Program (NRP).

Construction is currently underway at the third building, and will be completed in spring 2004. This final phase of work includes the installation of an elevator that will link two of the buildings, making them fully handicap accessible.

REHAB PROJECTS AND MUTUAL HOUSING

NEW DEVELOPMENT PROJECTS

CATCH began preliminary work on two new rehabilitation projects this year, both in the Central Harlem area. Architectural plans have already been drafted for a Central Harlem project that will involve the renovation of five formerly city-owned buildings. The effort, funded by the city's Neighborhood Redevelopment Program (NRP), is in effect a second phase of CATCH's first NRP project in the



PHOTOS: SERGIO VALERIO



Entrance to 1008 Summit Ave. before and after renovations; architectural rendering of proposed Summit Avenue park, and renovated interior of 997 Summit Avenue.



PHOTOS: SERGIO VALERIO

Bradhurst area (see above). Like this project, it will create apartments with very affordable rents for existing residents and other low- and moderate-income households. CATCH expects to close on the construction loan in June 2004.

The second new CATCH project is an unusual one. It involves the renovation of some nine brownstone buildings located in the Central Harlem area. These were among many dozen properties that the U.S. Department of Housing and

fearing that HUD would sell the properties to developers who would force them out, worked with staff of the WestSide SRO Law Project to develop a long-term strategy for obtaining control of their homes.

After meeting several times with CATCH and its local affiliate, the Central Harlem Mutual Housing Association, to learn more about our mutual housing model, the residents of nine occupied buildings petitioned HUD and the city to transfer control of the buildings to CATCH for renovation

and eventual conversion into a mutual housing association. This fall CATCH began working with architectural firm LSGS to create designs that will convert the SRO rooms into studio and one-bedroom apartments. We anticipate closing on title to the buildings in September 2004.

MUTUAL HOUSING DEVELOPMENT

CATCH also continued to provide support and training to resident leaders in its affiliated mutual housing associations. The resident representatives on the South Bronx CATCH Mutual Housing Association (SBCMHA) board, first elected in December 2002, worked hard with CATCH organizer Tadess Scott through the year to assume more of the responsibility for overseeing the management of their buildings. In June, they held a party to celebrate the successful rehabilitation of the three Morrissania-area buildings.

In Central Harlem, the resident representatives on the Central Harlem Mutual Housing Association board worked with CATCH to screen new residents for the recently renovated buildings, and at the end of the year they held a party to welcome their new neighbors and celebrate a very successful year. In Washington Heights, the board met with the management company to improve their understanding of the organization's finances, approved their first formal budget, and carried out a number of improvement projects.



CATCH Vice President Carlton Collier with City Council Speaker Gifford Miller during an ANHD-sponsored tour of community housing in the South Bronx

Urban Development (HUD) foreclosed on from unscrupulous non-profit entities that had used HUD's 203(k) mortgage insurance program to profit from speculative sales and re-sales.

Most of these HUD-foreclosed buildings were vacant, but a number in Central Harlem had been divided into single-room-occupancy (SRO) units and were homes for a number of individuals and some families. These residents,

2003 REPORT: PARODNECK...

This year the Parodneck Foundation's Lending Department spent much of its energies expanding our nationally acclaimed program to address the problem of predatory lending and assist homeowners victimized by these practices. Among our many activities, we made more loans, obtained additional financial resources, and developed new collaborative projects. Highlights of the year included a Funders Breakfast and the launch of a new comprehensive anti-predatory lending initiative in the NorthWest Bronx.

...LAUNCHES COMPREHENSIVE BRONX ANTI-PREDATORY LENDING PROJECT

This fall the Parodneck Foundation and number of local community-based organizations launched a comprehensive initiative to address, remedy, and reverse the problem of predatory lending in the NorthWest Bronx. Groups including University Neighborhood Housing Program, West Bronx Housing and Resource Center, Bethex Credit Union, Moshulu Preservation Corporation, and others.

The Parodneck Foundation will be working on one of the most interesting and potentially most important components



Parodneck Foundation Vice President Howard Banker directs the Foundation's lending activities

of this project — an effort to connect homeowners with the best financial products they are eligible for. One of the reasons that predatory lenders are so successful at targeting homeowners in low-income and minority neighborhoods is that many residents of these

areas believe they will not receive fair treatment from mainstream banks, and therefore never apply for conventional financial products.

Fannie Mae estimates that the borrowers of 30 and 40% of the loans in their subprime portfolio were qualified to receive prime loans. Almost all the victims of predatory lending that the Parodneck Foundation has assisted to date would have been eligible for prime rate refinancing at the time they assumed predatory debt. These figures indicate that many homeowners in the city are in dire need of more

information about their lending options.

Addressing this problem is not easy, however. Subprime and predatory lenders have developed sophisticated marketing campaigns that rely on door-to-door sales, extensive word-of-mouth advertising, and repeated targeting mailings. Their salespeople are clever and aggressive.

To respond, the Parodneck Foundation uses combination of targeted mass mailings and word-of-mouth marketing facilitated by our community-based partners. These efforts direct homeowners to a hotline through which Parodneck staff can make referrals to legal assistance providers, credit counselors, social service providers, and/or our own lending and brokering services.

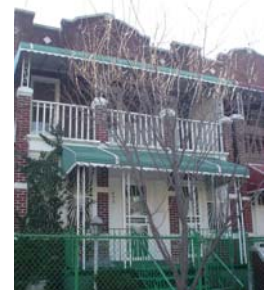


Remediation Loan Officer Sotirios Assimicopolous explains the details of a document to Ms. Veronie Malcolm at a loan closing. Parodneck helped Ms. Malcolm refinance a predatory loan.

...MAKES AFFORDABLE HOME REPAIR LOANS TO SENIORS

In 2003 Parodneck made affordable home improvement loans to 42 senior New York City homeowners. These loans enabled seniors to make crucial repairs and improvements to their property, including boiler replacement, roof repairs, bathroom and kitchen renovations, plumbing and electrical work, and the installation of new doors, steps, and driveways.

Ms Sarah Lynch of Brooklyn received a SCHAP loan in 2003 to upgrade her electrical system, replace ten windows, renovate a bathroom, and install a new boiler and heating system in her Brooklyn home (pictured right).



PARODNECK LENDING 2003			
PROGRAM	BLDGS	UNITS	\$ AMOUNT
SCHAP	42	70	\$1,487,146.42
HDFCs	23	566	\$80,000.00
TOTAL	65	656	\$1,567,146.42

...PRESENTS AT FUNDERS BREAKFAST

One of the highlights of the year was a Ford Foundation-hosted funder's breakfast designed to inform New York City's philanthropic community about cutting edge efforts to address the damage caused by predatory lending. Hosted by Ford Foundation Program Officer George MacCarthy, the breakfast showcased the collaboration between the Parodneck Foundation and partner organizations South Brooklyn Legal Services and the Neighborhood Economic Development Advocacy Project.

New York State Attorney General Eliot Spitzer gave the keynote address at the breakfast. He described the damage that predatory lending causes, outlined legal strategies that his office is employing to address the problem, and warned of the dangers of federal legislation that would pre-empt states' attempts to address the issue.

Parodneck Foundation's Vice President Howard Banker

described how our New York Remediation Project provides comprehensive financial assistance to homeowners in danger of losing their properties to foreclosure as a result of predatory debt. Josh Zinner of South Brooklyn Legal Services described his organization's success at providing legal assistance to homeowners, and Sarah Ludwig of the Neighborhood Economic Development and Advocacy Project (NEDAP) explained how predatory lending affects New York City neighborhoods, and described NEDAP's work to educate local communities about the issue. Working together, the Parodneck Foundation, SBLs, and NEDAP have developed a comprehensive strategy to address predatory lending through their Community Equity Protection Project, which has become a national model program funded by the Ford Foundation.



George McCarthy of the Ford Foundation and New York State Attorney General Eliot Spitzer at the Ford Foundation Funders breakfast.

... SAVES HOMES FROM PREDATORY LOANS

Ms. M. has owned her own home in the Bushwick neighborhood of Brooklyn for over thirty years. Her husband handled most of the financial matters for the household, and when he died in 1990 Ms. M took on responsibility for household finances. In January 1992 a man acting as both a broker and a contractor approached Ms. M and suggested that she take out a new equity loan to make some home improvements, including replacement of the boiler and windows.

Ms. M. eventually ended up taking out a new loan that converted her existing mortgage, which had a relatively low-interest rate and only \$7,000 remaining in principle, into a \$36,000 mortgage with a 13% A.P.R. The contractor started working and replaced the boiler, but never completed the work on the windows.

Within a short space of time Ms. M was in a dire situation. Her house still needed renovations, and her finances were falling into serious disarray. The high interest rate on

the loan required her to spend almost half her income on mortgage payments alone. She kept current with the mortgage payments, but began to fall behind on other bills, including city sewer and water charges. The arrears on these charges were converted to liens and sold in May 2003.



Ms. M (right) with Ines Figueroa of Neighbors Helping Neighbors, which provided credit counseling and other assistance

Concerned that the liens would be sold at auction, staff at Neighbors Helping Neighbors, a Brooklyn organization helping Ms. M., referred her case to the Parodneck Foundation. Parodneck's lending department reviewed the case, and began the work to refinance her loan, while Neighbors Helping Neighbors provided credit counseling to redress the damage to her credit rating caused by her predatory debt. On November 18th Ms. M.

closed on a new loan with GreenPoint Bank that paid off her arrearage and refinanced her mortgage at a much lower rate. Parodneck provided an additional deferred loan from its SCHAP program to replace the windows and renovate a bathroom.

RECOVERY IN THE BRONX

BANANA KELLY REVIVED BY NEW LEADERSHIP

On a very hot and dry August day in the summer of 1978, Consumer Farmer Foundation president Meyer Parodneck received a call from a group of “urban pioneers” — volunteers from Kelly Street in the South Bronx. They were calling because their fledgling “sweat equity” project was in serious jeopardy. Earlier that day the entire interior of the building at 944 Kelly Street had collapsed. Thankfully, no one was injured, but the collapse was serious enough to threaten the entire project, potentially ending a remarkable self-help rehab project initiated by local residents in response to the arson, abandonment, and government neglect of the time.

The group, the Banana Kelly Community Improvement Association, Inc., survived that early challenge, thanks in no small part to an emergency loan from the Consumer-Farmer Foundation, now the Parodneck Foundation. The loan enabled the group to stabilize the structure of 944 Kelly Street until city loan funds were available for a complete gut rehabilitation. That was the beginning of what was to become an internationally acclaimed model community development group, which grew over the years to sponsor and redevelop over 1,000 units of affordable housing and administer tens of millions of dollars in private and public funds.

In the summer of 2002, almost 24 years later, the president of the Parodneck Foundation once again received a phone call regarding the same group. But this phone call came from the New York State Attorney General’s office, and Harold DeRienzo, who had been among the volunteers requesting support in 1978, was now at the receiving end of the call. The official informed Mr. DeRienzo that the Attorney General’s office was beginning to wrap up a two-year investigation of Banana Kelly, and that it was prepared to force the removal of the leadership then in place and to compel the installation of a new board of directors. The official wanted to know whether Mr. DeRienzo would agree to return as a board member to help rescue this important community institution that he and his neighbors had started so many years ago.

In November of 2002 a new board of directors was

installed at Banana Kelly. Fernando Ferrer, the former Bronx Borough President and current President of the Drum Major Institute, agreed to serve on the board, effectively agreeing to return to his old neighborhood and take a personal and direct role in its redevelopment. He serves as Chairman of the Board. Alyah Horsford-Sidberry, a principal at the real estate firm of Horsford and Poteat and granddaughter of one of the original Banana Kelly homesteaders, agreed to serve on the board and has served as

Vice President. Mavelin Morales, local resident, homeowner, businesswoman, and former director of Social Services at Banana Kelly, also agreed to serve on the board as Vice President and Secretary. Dr. Victor Alicea, President of Boricua College and former Vice Chairman of the City Planning Commission, serves as Assistant Secretary. Mr. DeRienzo agreed to serve on the board and has served as interim President and CEO.

“Our goal was two-fold,” stated New York State Attorney General Eliot Spitzer. “In the short term we wanted to make sure that the thousands of tenants in the Banana Kelly buildings lived in safe and habitable conditions. In the long

term, we wanted to work with the new board to restore the legacy and viability of Banana Kelly as a leading provider of community-based low income housing and social services.”

But when the new board took over they had no idea of the extent of the challenge. Almost all of the low-income rental buildings (HDFCs) were in severely distressed condition. Three on Hoe Avenue, renovated as recently as 1999, had serious problems with internal plumbing, heat and mold. 866 Beck Street, one of the earliest Banana Kelly projects, had been vacant for two years after a fire forced its tenants to flee. Three buildings were in foreclosure and eight were in bankruptcy court. Several had serious problems with drugs. Hundreds of violations had been posted against the properties. And the organization itself had a seeming myriad of creditors, both private and public, with a total debt burden in the millions of dollars. Rightfully angry tenants, a distrustful and cautious community, and creditors, marshals,

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Banana Kelly Executive Director Orlando Marin with Claudia Marin and Wilfredo Bonilla

BANANA KELLY RECOVERS

(Continued from page 8)

trustees, and other debt collection entities and agents demanding relief — this is what the new board stepped into.

It was clear that in order to save this organization dramatic steps had to be taken. A downtown law firm, Carter Ledyard and Milburn, agreed to work with Banana Kelly on a pro bono basis. Auditor Joseph Topolsky worked tirelessly to prepare three years of financial statements and tax returns for the HDFCs in order to help expedite the refinancing approvals. JF Contracting provided valuable assistance by removing a violation that was a blighting influence on an otherwise stable block. Schur Management provided pro bono services, acting as owner's rep on the rehab of the buildings and assisting with property management oversight. Schur Management was also instrumental in assisting Banana Kelly to redeem 1244-46 Westchester Avenue, which at one point was a week away from being auctioned to the highest bidder. Barry Milberg, Banana Kelly's first outside accountant, agreed to provide pro bono assistance with the

was installed at Hale House, the organization had over \$10 million in the bank and about six children under their care. By contrast, Banana Kelly was about \$4 million in debt, had no money in the bank, and was directly responsible for thousands of decent residents who had survived a decade of neglect and abuse at the hands of people who give community development a bad name."

But even with all of that help, still more was needed. And that is where the Parodneck Foundation came in.

The board of Parodneck agreed to an emergency cash flow loan of \$80,000. This allowed the organization to maintain a skeletal staff, sufficient in number to keep the office open and to operate its ongoing contractual obligations. Additionally, Parodneck agreed to administer a "trust fund" for Banana Kelly so that charitable contributions could be received without fear of creditors attaching those funds. When the organization prepared to close on construction and refinance loans, Parodneck again stepped up to the plate and agreed to administer the construction loan funds, providing



PHOTOS: DIANE FRANCIS

The Banana Kelly Residents Council meeting in January 2004: Schur Management representative Jeremy Katz, Dorothy Minter, Stuart James, Charles Lyons, Ardina Thompson, Orlando Marin, Ernestine Jenkins, Edeleika Arenas; not pictured, Diane Francis



Performers at the Christmas party for Banana Kelly and community residents at the Olympic Theatre in December 2003. The event was organized by Banana Kelly and sponsored by Metro Ministry International and the Olympic Theatre

IRS and internal fiscal procedures.

The Attorney General remained involved through Assistant Attorney General Sally Blinken, who has been constantly available to provide assistance and has attended all of the board meetings. City Department of Housing Preservation and Development (HPD) First Deputy Commissioner John Warren dedicated agency staff to work with Banana Kelly on compliance, rehab, and refinance issues. Board chairman Fernando Ferrer used his knowledge of government and his reputation as a long-time public official with a history of propriety and dedication to public service to shake loose funds long held up because of the investigative cloud that had hung over the organization for years.

"In the beginning, people drew comparisons between our takeover of Banana Kelly and the takeover of Hale House," Mr. Ferrer said. "But we soon learned that the two takeovers had more differences than similarities. When a new board

no small relief to Banana Kelly's lenders. And finally, the Parodneck Foundation board agreed that its President, Harold DeRienzo, could devote a substantial part of his time towards reviving the very group that got its start with a very modest \$400 loan from Meyer Parodneck decades earlier.

November of 2003 marked the one-year anniversary of the new Banana Kelly Community Improvement Association, Inc. Every one of the HDFCs has a plan for refinancing and redevelopment. Two loans have already closed, two other buildings have loan commitments, and three more have been approved by the loan committee of the Community Preservation Corporation. The bankruptcy cases have been dismissed. The three buildings in foreclosure are being redeemed, or have been redeemed. The board has a firm understanding of its debt burden. Most creditors are working with the organization now that their calls are being returned

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SOUTH BRONX STATE OF MIND

(Continued from page 1)

any community, the people must come first. So it is with institutions that are the surrogates of members of a community.

The residents who make up the Banana Kelly community are now beginning to feel that they are important once again. They participate in tenant associations, building committees, and the Residents Council that meets each month to discuss plans and strategies. Relocation plans, transfer policies, and more are being developed in partnership with residents who will be most directly affected by those measures.

Banana Kelly residents suffered through years of indignities, abuse and neglect. But like New

Yorkers in general they proved resilient and now, once again, have a forum through which to productively advance their opinions and channel their energies. And, collectively, we

have the opportunity to prove that community development is, first and foremost, about the people who comprise that community, as opposed to those who pretend to represent their best interests.

Note: Over the past year the Parodneck Foundation helped Banana Kelly begin the process of redeveloping 16 HDFCs with nearly 600 units of housing.

Interestingly, in 1977 Banana Kelly received its first loan from the Parodneck Foundation — a \$400 investment that helped launch what would become a \$60 million operation that created over 1000 units of affordable housing.



Banana Kelly past: Meyer Parodneck (left), Fernando Ferrer (behind Meyer) and Harold DeRienzo (right) at a Banana Kelly ribbon cutting in the late 1970s.

BANANA KELLY RECOVERS

(Continued from page 9)

and they are being treated with some sense of fairness. Most lawsuits have been settled or are close to settlement. And a plan has been prepared and adopted by the board that will retire most of the organization's debt over the next few years.

"Harry has established communication between tenants and the board," said Vera Román, a member of the Banana Kelly Resident Council whose mother lives in the building at 788 Fox Street.

"Tenants have a more positive feeling about the organization now," she said. "While they still have questions, and while there are still issues to be resolved, they now know that they are being heard, and that an effort is being made to address their concerns and resolve them."

In November of 2003, the board appointed a new

Executive Director for the organization. Orlando Marin is a long-time resident of the area, a homeowner, member of the local community board, and former employee of the New York City Housing Partnership. He has a background in architecture and planning, a sterling reputation within the community housing and development sector, and is ideally suited to lead this organization towards regaining its legacy.

"For years, I watched with frustration as Banana Kelly went from an international symbol of self-help and rebirth to what many saw as an embodiment of community development at its worst," Marin said.

"Now, to have this opportunity to work to rebuild this organization and to have it realize its true potential seems what all of my professional life up to this point in time has prepared me for."



PHOTOS: DIANE FRANCIS

Some of the Banana Kelly staff at the organization's 2003 Christmas party: Vilma Leon, Edeleika Arenas, Orlando Marin, Luis Vega, Gisette Carrera

THANK YOU TO OUR SPONSORS

The Parodneck Foundation would like to thank the foundations and corporations listed below. Each of you generously supported our efforts during 2003. Without your support, we would never have been able to do the things you are reading about in this newsletter.

- ATLANTIC BANK —
- ASTORIA FEDERAL SAVINGS BANK —
- BANK OF NEW YORK —
- BEYOND SHELTER COALITION —
- BOOTH FERRIS FOUNDATION —
- CITIGROUP FOUNDATION —
- FANNIE MAE FOUNDATION —
- FORD FOUNDATION —
- GREENPOINT BANK —
- HSBC BANK U.S.A. —
- INDEPENDENCE COMMUNITY FOUNDATION —
- J.P. MORGAN CHASE FOUNDATION —
- M&T CHARITABLE FOUNDATION. —
- NEW YORK CITY DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT —
- NEW YORK STATE AFFORDABLE HOUSING CORPORATION —
- NEW YORK STATE DEPARTMENT OF HOUSING AND COMMUNITY RENEWAL —
- NEW YORK COMMUNITY TRUST —
- NORTH FORK BANK —
- TACONIC FOUNDATION —
- WASHINGTON MUTUAL FOUNDATION —

THANK YOU, T.J. MAXX!

This year T.J. Maxx generously donated a \$50.00 gift certificate for a client of the Parodneck Foundation's CATCH program. The Selection Committee decided that Mr. Edward Brown was the perfect certificate.



Mr. Edward Brown with T.J. Maxx gift certificate

Born in Harlem hospital, Mr. Brown has lived in the community for most of his life. In 2003, after an injury forced him to leave his job, he applied for an affordable apartment in CATCH's new Central Harlem NRP buildings (see page 4). He had been living in a furnished rooming house with no furniture and few household goods. The T.J. Maxx certificate was a wonderful Christmas gift that will help him get established in his new home.

Mr. Brown says he enjoys living in his "immaculate" new building on Bradhurst Avenue. He looks forward to helping in the community, and working with youth in particular.



STAFF

Above: left CATCH Organizing Consultant Gwynn Smalls

Right: Betty Aguasvivas, new Parodneck Foundation Assistant Bookkeeper.

FRIENDS, OFFICIALS CUT RIBBON AT CENTRAL HARLEM NRP PROJECT



From left: City Council Member Robert Jackson speaks with a future voter. Enterprise Foundation New York City Director Rafael Cestero and HPD Deputy Commissioner Kim Hardy take their turns at the podium, and LSGS architect Misa Radulov enjoys the party



The ribbon cutting: from left to right, Central Harlem resident Warren Afford, CHMHA President Marcia Evans, local residents, Parodneck Foundation President Harold DeRienzo, JF Contracting President Peter Papanicolaou, local resident, City Council Member Robert Jackson, CATCH Vice President Carlton Collier, LSGS Partner Susan Wright, HPD Deputy Commissioner Kim Hardy, Enterprise Director Rafael Cestero, and CATCH Organizer Renee Lindo

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