

Queens Civic Congress has since been informed that the Bankruptcy Judge approved the two sales. We await confirmation. - Corey Bearak, QCC Pres.

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Judge could reopen hospital bid process

By Anna Gustafson

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A federal bankruptcy judge could reopen the bidding process for the Mary Immaculate site in Jamaica, pictured, and the St. John's property in Elmhurst, which sold last week to Guttman Realty, according to a spokesman for Borough President Helen Marshall. Photo by Christina Santucci



A federal bankruptcy judge has yet to approve the sale of St. John's and Mary Immaculate hospitals to Guttman Realty and could instead reopen the bidding process for the two sites owned by the bankrupt and shuttered Caritas Health Care, according to Dan Andrews, a spokesman for Queens Borough President Helen Marshall.

"The judge is not totally happy with the bid winner," Andrews said. "It's possible the whole process could be reopened."

Brooklyn Bankruptcy Court Judge Carla E. Craig was slated to approve or deny the \$26.625 million sale Oct. 22, but instead ordered a delay on the decision, Andrews said.

Craig's office would not comment on the decision this week.

Marshall's office expressed concerns about Brooklyn-based Guttman Realty's history.

Joshua Guttman, owner of Guttman Realty, and his son, Jack Guttman, were charged with 434 counts of failure to maintain privately owned waterfront property after a 10-alarm fire broke out in 2006 at one of Guttman's Brooklyn properties, the Greenpoint Terminal Market.

Leszek Kuczera of Brooklyn was charged in 2006 with setting the fire.

Isaac Abraham, a spokesman for Guttman Realty, said "if the Gutmans can have such a bad reputation because of the fire, I can't see why the city should continue building after the Deutsche Bank fatalities."

Guttman purchased the St. John's property in Elmhurst and Mary Immaculate site in Jamaica at a bankruptcy auction in Manhattan last week, according to CB Richard Ellis, the firm retained by Proskauer Rose, Caritas Health Care Inc.'s bankruptcy counsel, to conduct the auction. Caritas, which filed for bankruptcy protection in February and soon after began liquidating its assets, owned the St. John's and Mary Immaculate sites, both of which were placed up for sale in May.

The auction took place at Proskauer Rose's midtown Manhattan office Oct 16. It was not open to the public.

There were a total of five bidders on the Mary Immaculate site and only one for St. John's, CBRE said.

CBRE spokesman Philip Weiss said the buyer "envisions several options for redeveloping the Mary Immaculate site, including an educational facility, nonprofit organization use, government operations or a religious facility." The St. John's property may be used for office building development.

"The borough president wants a hospital there," Andrews said. "That may not happen, at least not overnight. But there could be something in the nature of an urgent care center or diagnostic center."

Queens Civic Congress President Corey Bearak said he was also worried about the future of the sites.

"It remains paramount that the services once provided to Queens residents by St. John's and Mary Immaculate hospitals get restored," Bearak said. "One can only surmise that the Brooklyn realtor-investor seeks to flip both properties."

Abraham said the company will not make any decisions about the sites' development until it has received input from the community and local elected officials.

"Unfortunately, hospital and medical facilities, most of them are literally bankrupt," Abraham said. "... To get any type of health care facility, you'd have to have a tremendous amount of private finances because you can't rely on state or city budgets to help you. I really don't see where a private investor, without getting proper assistance from the government, would be able to do that."

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