

## Welcome

**10A – Garth Greenan** is a longtime resident of Chelsea and the founder and owner of Garth Greenan Gallery, an art gallery representing over 20 artists.

## Sales

Although sales have slowed during the peak of the CV pandemic, showings have gradually increased over the last month, especially since Labor Day. The 14 months since our last Annual Meeting saw seven completed sales: three two-bedrooms apartments (a record in any one year) and four studios. While predictions about real estate prices were doom and gloom at the start of the pandemic, prices at 201 are only slightly down from the peak several years ago. Recently we have heard that another two-bedroom apartment, a one-bedroom unit and a studio have started preliminary movements towards a sale closing. Sales are continuing, but not at peak pricing.

## Restored Terracotta

You may have noticed a huge improvement in the look of the original attractive mottled terracotta archway at our front doors. The now 91-year-old terracotta had become pockmarked with poorly performed patches made over our long history along with some age-related crazing. After months of experimentation and closely monitored tests, Opus Architectural Restoration in association with Cathedral Stone Products completed the restoration work over a month this past summer. The waist level staining and the discolored patches are history. Our front entry never looked better.

Next up we will be patching the many drilled signage holes that have occurred over 90 years on the limestone portion of the lower façade on 7th Avenue and a small piece on 16th Street. These patches are highly sensitive to moisture penetration and the freeze/thaw cycle. This work may be near or at completion at the time of publication of this edition of 201 News.

## Annual Meeting

The first quorum in 5 or 6 years assembled on the evening of Sept. 29 for our first ever “virtual” annual meeting. The meeting was enabled by Governor Cuomo’s emergency orders related to corporation annual meetings. As a result of the positive feedback from those participating, we may amend the By-Laws of the cooperative corporation to allow this format to continue even after emergency orders have expired. At one time during the almost 1.5 hour meeting we had 20 shareholders participating by video and 19 shareholders participating by telephone. Thank you for your interest in the success of our cooperative.

## Our Retail Space

While we have had some interest in leasing a portion of our retail space from potential tenants, there has been no interest in the entire space from a single tenant in recent months. A single tenant has been and still is our preference. However, our retail tenant team including Board Treasurer Ed Lewis, our building’s architect and our retail real estate broker have been working tirelessly to identify the best options to legally separate the space into discrete stand-alone retail spaces under NYC’s strict building and safety codes. They have almost arrived at a workable plan showing how the space could be divided to create attractive stand-alone retail options without adversely affecting overall rentability. We have also modified our advertising and collateral materials to note that we would consider reasonable divisions of the space. Once we indicated that we were willing to subdivide the space, we did get a few more inquiries from potential retail tenants. We still face stiff competition with an overabundance of great retail spaces in our area that are vacant.

We don’t officially regain control of the space until 12/31/20. However, 7th Ave Retail LLC, the underlying leaseholder, has discontinued paying the rent. Disappointing but not too surprising in this environment. The fees from the annual rental of the space represent about 5% of our annual budget.

## Historically Low Interest Rates

We are all seeing the ads noting that interest rates are at historic lows. Whenever rates drop, the Board of Directors and mortgage guru Mary Frances Shaughnessy at Tudor Realty get out the calculator to see if it makes sense to refinance our mortgage on 201. Our mortgage is due for refinancing in December 2021, slightly more than a year from now. Unlike many personal mortgages, commercial mortgages have pre-payment penalties that can be substantial. We calculated that the prepayment penalty for the current mortgage at 201 is more than \$400,000, indicating that it may not be cost effective to consider a refinance at this time. However, we did also confirm that penalties for refinancing decline in the six final months of our mortgage. We may be able to reconsider this opportunity in the late winter/early spring next year if rates remain low and terms are more advantageous.

## Afternoon Doorman

In our last newsletter we mentioned that Hristu Bichi was away from his normal shift due to medical treatments. We are pleased to report that Bichi has indicated that he has fully recovered. However, he has decided to retire and will be not return to 201. Though he does not quite have all the ‘points’ needed to retire with full benefits, Local 32BJ offered him some one time “sweeteners” and in the end he decided it was enough. He will be very much missed.

We are interviewing for the position. Please notify Cristian Covaci, our superintendent, if you have any recommendations. The shift being filled is 3p-11p Wednesday through Sunday.

## Street Tree

The largest of our street trees was severely damaged by one of the several tropical storms passing our way this season. An arborist from Bartlett Tree Service determined that the tree could not be saved. We have engaged Bartlett to file all the appropriate paperwork with NYC including the Parks Department. Once approved, the Parks Department will identify three appropriate tree types from which we can choose. Bartlett will then do the planting. We don’t yet know if the Parks Dept. will require our tree pits to be enlarged – the new standard is much larger than our existing pits.

## New LL 11 Inspection

In our last edition of *201 News*, we mentioned that “soon” we would be having a façade inspection. Soon took a long time to arrive, but the inspections are tentatively scheduled to begin on November 3. We are still attempting to get permits for “cherry picker” inspections on 7th Avenue and also on our 16th Street façade. Using the cherry picker method reduces the hanging scaffolds that are required for a close-up inspection of the façade. If we can obtain the permits, it will mean much less scaffolding on the common roof deck and the private terraces in the building. The inspections will inform the façade engineer on the condition of our façade as it relates to water penetrations, deteriorating terracotta, or cracked bricks. This will be summarized in the report and filed with NYC. That will give us about three years to get the work done that has been mentioned in the LL11 report, now more meaningfully named Façade Inspection Safety Report (FISP)

Interestingly, the New York City Council is convening a group to study the use of drones to do façade inspections in the future. That would eliminate hanging scaffold and cherry pickers for inspections. Finally, the Council is doing something we can wholeheartedly support.

## Energy Efficiency Ratings

A recent law passed by the City of New York Council and signed by Mayor de Blasio requires all medium and large sized buildings, commercial or residential, to report on their energy efficiency. Similar to restaurants and schools, buildings are assigned “grades” from A-F. The metrics used to measure efficiency are not clear even to the 201 Board of Directors and the management of Tudor. However, our hired energy consulting firm collected the requested data and filed the reports on time to ensure that we were not fined for non-compliance. Unfortunately, the results – a D grade – were an unpleasant surprise. This efficiency grade will soon be posted in our lobby, unfortunately.

With all the work we have done over the last 20 years to make our building more energy efficient, that rating is an insult to the Board and to our shareholders. We have responsibly addressed the inefficiencies that the city told us we should address over the years, with improvements including submetering of the electrical usage in each apartment to encourage less waste, adding 3” of insulation under the main roof, adding 1 ½” of insulation under all the terraces (except a small portion on the 2nd floor), replacing inefficient corridor lighting with LED fixtures, replacing 80 year old glass and steel windows with modern windows in the appropriate architectural style, replacing both boilers from 1929 with new natural gas fired state-of-the-art efficient boilers, replacing much of the 1929 equipment in our elevators with modern electronic equipment, replacing the master exhaust fan on the roof of the building with equipment that uses 80% less power, replacing our hot water generators with new up-to-date mechanisms, heating the lobby with a specially designed system that uses 95% less energy, and replacing the lobby and basement air conditioning unit with a modern design that uses at least 75-80% less energy.

These improvements have cost our shareholders millions of dollars to do what the city and the state recommended or mandated. So the D rating is especially disappointing, made only slightly tolerable when we learned that the average rating in the city is a D. More to come on this for sure.

## 24-Hour Vet Services

Among the many pet-owners at 201, one of our neighbors recently had need of emergency vet services for a very ill pooch. It was late in the evening and on a holiday. In Manhattan, luckily, there are at least two places ready to help with pet emergencies 24/7/365.

- The oldest and largest option is the Animal Medical Center at York Ave and 62nd Street, which is a full-service facility. Telephone 212-838-8100. You can call ahead but you can also just show up to get the help your pet needs.
- Fortunately for 201 residents, there is also another smaller 24/7/365 option right nearby. Blue Pearl Medical Center at 1 West 15th Street at Fifth Avenue. Telephone 212-924-3311. They are equipped to handle most pet emergencies.

Many pet-owning 201 residents have reported that both of these facilities have provided very good service. But be warned, they are not cheap.