

Welcome

10E – Henry and Sara Huber Henry is CFO at Juno Investments and Sara is director of finance at Edge Studio in Manhattan.

6E – Paige Gugat Paige is moving from the West Village to 201 and is a marketing manager at Centerbridge Partners.

New Retail Tenant

Very importantly, the telephone has “begun to ring” a bit more often on our remaining unleased retail space. As mentioned during the Annual Meeting, as COVID continued to be an issue the calls and walk-throughs for our space evaporated. While there are no serious offers yet, things do seem to be picking up.

The Shade Store is making progress on their retail build out of the corner space. They have an optimistic goal of opening by Thanksgiving and we look forward to collecting rent on our valuable retail space.

Mortgage Refinancing

The processing of securing our new mortgage for the building is proceeding apace according to Tudor Realty principal Mary Frances Shaughnessy. She is a specialist on mortgages at Tudor and has done amazing things for us in the past in this important area. Tudor Realty Services has ably managed our building for more than 25 years. More news on the acquisition of a new mortgage in the next few weeks.

An Appreciation

Our retiring board president, Charlie Sullivan, who has sold his apartment at 201, has agreed to assist in the transition to new board leadership as a non-voting member. Some of us have worked with Charlie on the board for more than 30 years. He took on many burdens as president and excelled as a leader during an amazing period of success for 201. He combined outstanding professional skill as an attorney with his unmatched ability to work with people with often very divergent opinions, and he faced each challenge with intelligence and strong character. When there were difficult decisions or actions to be taken, he always guided us in the right direction. He was fond of describing the behavior and decisions as red line, bright line, and fuzzy line. Lucky for us, he was always standing on the correct side of the line. We all relied on him and trusted him. He has been a true leader, friend and neighbor. We are grateful to him for his many years of service and for helping with our transition.

Annual Shareholders Meeting

For the second year in a row, shareholders of 201 joined for the annual meeting despite the challenges of COVID. Also for the second year in a row, there was a quorum present. Our CPA firm, Schwartz & Associates, reviewed the financial statement. Howard Lazarus of Tudor Realty was able to “share his screen” showing the Coop’s financial statement while Michael Antonelli of Schwartz & Assocs. gave us an overview. James West was introduced as our new general counsel from our law firm Tane Waterman & Wurtzel. Also present was our superb building manager Christine Ang. Brian Tong of Tudor coordinated everyone’s virtual participation. Almost 60% of the shares were represented, an unusually large turnout that was great to see. Several of the ongoing operations of the building were reviewed and most of these are highlighted elsewhere in these pages.

PPP

The Federal Payroll Protection Plan (PPP) administered by the U.S. Small Business Administration was a roaring success nationwide and at 201 it was a lifeblood. Our sole commercial tenant quit paying rent July 1, 2020, representing a roughly \$65,000 uncollectable loss for the cooperative for 2020. Why uncollectable? The primary lease holder was a single purpose entity that existed only to collect rent from Williams-Sonoma and pay rent to 201. They pocketed the difference. Each month they zeroed out their bank account. If we chose to file a lawsuit to recover, even if we won there would be no assets available because the entity’s only asset is the bank account.

Early this year, along came a slight modification to the PPP that made housing cooperatives eligible for forgivable loans. (Thank you, Senator Schumer and Congressman Nadler!) Board member Ed Lewis jumped immediately on getting the coop eligible and in line for a loan. Under the revised criteria, our CPA’s calculations found us eligible for almost \$125,000 in funding. We made an application for loan forgiveness that was approved the last week of September. The loan played a key role in keeping our employees working with us during the tough COVID days.

Lockers

Full-sized storage lockers conveniently located in our basement rarely become available. Due to the pace of apartment sales in the last nine months, three full-sized lockers are currently available. The perfect place to store your beach umbrella, towels, flip flops and chairs until next summer. See Cristian in his basement office or email him at super@201w16.org for information.

2022 Facade Project

As reported, there will be a facade maintenance and replacement project at 201 in 2022. We had a meeting recently with the facade engineer and are planning to concentrate the work on a single facade, preferably the West side of the building that is most in need of attention. That plan could change as we move into the design and logistics phase.

In the deluge of Hurricane Ida and the record setting rain (at one point almost four inches an hour), three locations of moisture penetration were reported and we had some flooding in the elevator machine room. This flood disabled the building's master exhaust system. Parts are on order to get this back in operation. We expect that much of the cost of repairs will be covered by our insurance policies.

Recycling

201 is one of four buildings built at about the same time in Chelsea – two are right across the street and one is one block down Seventh Avenue. Of these, we generate the most recycling, even though 161 has about 40 more apartments. A great accomplishment, but we can do better still. Please review the signage in the recycling storage area and make sure you are recycling everything possible. Every bottle or can is worth rinsing out and recycling to help the environment and to keep us from getting fined.

We know the building was not built to accommodate this level of recycling. We have made space available as efficiently as possible. Please do your best to NEATLY stack recyclables in the dedicated floor areas near the landfill chute. Your neighbors and our great 201 porters will appreciate it.

NYC's Climate Mobilization Act

Board member Ed Lewis and building manager Christine Ang recently held a meeting with the building's energy use consulting firm En-Power to prepare for us to comply with NYC LL 97, also called the Climate Mobilization Act. Significant fines are assessed for failure to meet energy efficiency goals and carbon emission limits – potentially up to \$50,000-\$150,000. Compliance is important, but also presents some challenges. For example, we have no control over the energy use of our retail tenants but that usage counts in assessing our compliance.

We have spent about \$2MM to be more energy efficient in recent years, including new natural gas boilers, LED lighting, thermal windows and other projects. Early calculations indicate that we will avoid any penalties in 2024. The next hurdle is in 2030, which undoubtedly will require more re-thinking on how we heat, cool and light up the building.