

# 2201 Davidson - Third Party Transfer

City Council Subcommittee on Landmarks, Dispositions & Public Sitings Public Hearing

February 26, 2025

Department of Housing Preservation & Development Applicant: NYC Department of Housing Preservation & Development (HPD)

Proposed Project: Utilization of HPD's Third Party Transfer Program to transfer ownership and responsibility for the rehabilitation of 2201-05 Davidson Avenue to Neighborhood Restore HDFC as interim owner prior to disposition to the developer, Lemle & Wolff, for the purpose of maintaining approximately 48 units of affordable housing subject to the requirements of the Multifamily Dispositions and Finance Programs Term Sheet.

Land Use Actions:

- Urban Development Action Area (UDAA) designation and project approval (UDAAP)
  Other Actions:
- Article XI Tax Exemption

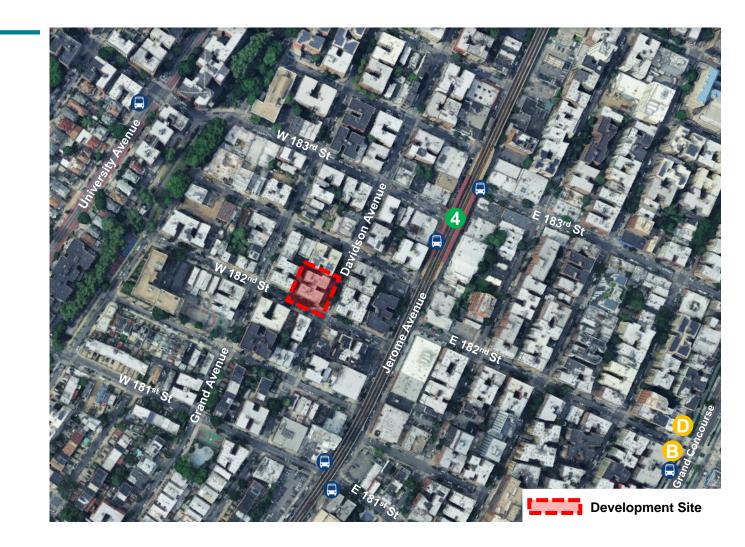


## Location & Context

2201 Davidson Avenue Bronx Block 3196, Lot 18

Lot Area 10,000 SF

Public Transit Subway B, D, and 4 train Bx 2, Bx3, Bx32, Bx 40, and Bx 42 bus line





## History of 2201 Davidson

- 2201-05 Davidson Ave was initially identified for TPT round X in 2015, the owner, Romad Reality, filed for bankruptcy in Sept of 2015 which was dismissed in October of 2018.
- The property was removed from the TPT action and the property has continued to accrue arrears.
- The TPT action on 2201 Davidson was restarted on October 7, 2024 after the default judgement of foreclosure was entered by the courts.

- The owner has not contested the filing of the notice of foreclosure nor tried to redeem the property.
- HPD has completed a significant amount of emergency repairs pertaining to roof repairs, heating repairs for the building, plumbing repairs in the boiler room, lead abatement, mold abatement, and installation of window guards

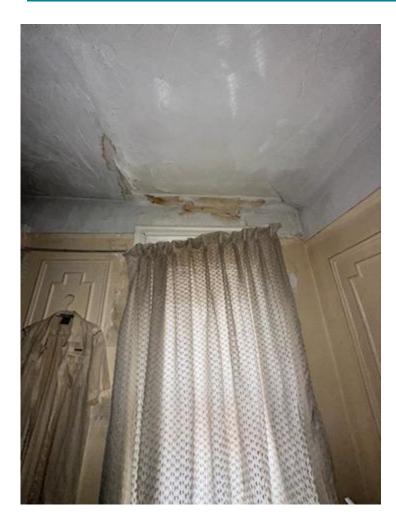


# Current Conditions (April and May 2024)





#### Current Conditions (2024, continued)









## Municipal Arrears and Debt (as of February 2025)

- Department of Finance(DOF) Arrears: \$26,526,814.62
- Department of Environmental Protection (DEP) Arrears: \$560,370.89
- Total Municipal Arrears: \$27,087,185.50
- Total HPD Emergency Repair Charges: \$1.1M+
- Total HPD AEP Fees: \$80,646.00
- B-class violations: 333
- C-class violations: 297
- Total B & C class violations: 630
- Total B & C class violations per Dwelling Unit: 12.86
- Con Edison Arrears: ~\$1.3M



# Unit Mix and Affordability

- Existing Unit Mix (48 total units)
  - 2 studios
  - 28 one-bedrooms
  - 18 two-bedrooms
- Under HPDs TPT Program, Neighborhood Restore HDFC will take the title as the interim owner.
- The Sponsor, Lemle & Wolff, will work with HPD and the tenants to rehabilitate the building to create affordable housing units with affordability restrictions.
  - The tenants were allowed an opportunity to indicate an interest in converting to a limited-equity HDFC cooperative, which over 80% of the tenants signed to petition
  - If the tenants do not meet the milestones to convert to a cooperative, the building will remain a rental project at the rent and income restrictions set by the Multifamily Dispositions and Finance Programs Term Sheet





- Tenants may need to be temporarily relocated, depending on the level of rehab work needed.
- This cannot be determined prior to the transfer, but TPT program policy requires tenants to enter into relocation agreements with the Sponsor.
- All tenants have a right to return to the building if relocated.





Q&A