



2201 Davidson - Third Party Transfer

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

February 26, 2025



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Introduction

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

Tenant Relocation

- 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.

Thank You

Q&A