

# 32 GRAMERCY PARK SOUTH HIGHLIGHTS

January 2011

## BOARD NEWS

- The Board has received a number of interesting ideas for outfitting our future roof garden. We thank you for your thoughtful recommendations and will be reviewing them in depth at the next monthly board meeting.
- In addition to the roof garden, other capital improvements now under consideration for 32GPS include: refurbishing the elevator cabs, improved front door access and security, updates to the staff room locker/bathroom and moving the steam outlet—which currently attracts vagrants—from the front of the building to the side. The directors have rejected a proposal to install taxi call buttons in the elevators.
- Rand will be asked to provide additional information about the relative urgency of the need to upgrade the domestic hot water system and replace the vacuum pump.
- Because of the high cost of steam heat, we are also exploring the costs and benefits of a micro-generation combined heat and power (CHP) plan, which would enable us to use waste heat from the building's generators to heat the building.
- Updates are being made to a number of the documents on the 32GPS.com website and the Virtual Bulletin Board is in beta testing, with a formal launch scheduled for mid-January.
- If you're interested in upgrading, the following apartments are currently on the market: 3J, 5C, 7AB, 8D, 10H, 12E and 13F and 18C and 18E.

## **FYI**

- **Did you know that...?** Maintenance fees in the city rose 11% on average in 2010, according to a recent article in *The New York Times*. Property managers anticipate they could skyrocket by as much as 15% in the coming year...mostly because of taxes. (See attached excerpt of the *Times* piece for more information.)
- **Don't make a tough job even harder.** Our resident manager, doormen and porters know that excessive loitering and gossiping with building residents is strictly forbidden. So, as much as you enjoy their company—and they enjoy yours!—please respect the fact that they have a job to do and keep the socializing to a minimum.
- **Looking for a great read?** Check out *Time and Again*, by Jack Finney. First published in 1970 (and never out of print since), this charming illustrated novel tells the tale of Si Morley, an illustrator recruited by a secret government agency to travel back in time to New York in the 1880s.

In the course of the story, Si takes rooms in the building at 19 Gramercy Park South (at the corner of Irving Place)—the house now occupied by Dr. Henry Jarecki. The mansion was once owned by the Stuyvesant Fish family, who rented out individual apartments in which a number of well-known New Yorkers—including actor John Barrymore and Ludwig Bemelmans, author of the children's book, *Madeline*—once lived.



- Our neighbor, Byron Wu (Jianhua Wu), grew up surrounded by Chinese art, music and literature. At his mother's urging, when he was six years old, he began studying the pipa — a four-stringed lute, and one of the oldest Chinese musical instruments. He began performing in public at seven. (You can hear his performance of "Great Waves Washing Sand" at <http://www.byronwu.com/bio.html>.)

After graduating from Henan University, Byron edited a poetry journal and hosted weekly arts and cultural programs at a Beijing television station and the Zhengzhou Educational Television Network. Ten years ago, he moved to New York, where he became the Chinese American Arts Council's music director and a popular, skilled teacher of Mandarin. For more information, visit [www.ByronWu.com](http://www.ByronWu.com).

### IN THE NEIGHBORHOOD

WHEN	WHAT	WHERE
Fri, Jan 14	Entry deadline for GNA's Annual Photography Contest	Visit <a href="http://www.gnaonline.org">www.gnaonline.org</a> for the application and more info
Sat, Jan 15 10:00am to 4:00pm	Free Electronics Recycling	Tekserve 119 West 23rd Street
Wed, Jan 26 at 6:30pm	Annual "Celebration of Gramercy"	Brotherhood Synagogue
Daily Come at dusk or later	Mad. Sq. Art Jim Campbell's <i>Scattered Light</i>	Oval Lawn Madison Square Park
Every Sat at 2:00pm	Free Union Square Walking Tour	At the statue of Abraham Lincoln (16 <sup>th</sup> St transverse, Union Square)
Every Sat & Mon 8:00am to 6:00pm	Textile Recycling	Union Square Greenmarket
Every Sun at 2:30pm	Free Children's Storytime	Barnes & Noble 33 East 17th Street
Every Sun at 11:00am	Free Flatiron Walking Tour	SW corner of Madison Square Park

### Q&A CORNER

#### **Q. *What's the Board's position on the prospect of a flip tax?***

**A.** At the moment, we don't have a position. A flip tax—a fee paid to a co-op (by the buyer or seller) when an apartment is sold—represents an alternative to borrowing money, raising maintenance or levying a special assessment. While nearly all Manhattan co-ops currently impose a flip tax, 32GPS does not. Introducing a flip tax would require a change to the proprietary lease. This could only happen with an affirmative vote of 75% of outstanding shares. So it's not up to the Board...it's entirely up to the shareholders.



Excerpt from "Looking Back at 2010"

December 24, 2010

By VIVIAN S. TOY

## **Ever-rising Maintenance Fees**

RISING maintenance costs were high on the complaint list for apartment owners in 2010, and that's not likely to change in 2011.

Last spring, as co-op boards were gathering across the city ("It's Co-op Meeting Time. No, Your Fees Will Not Go Down," May 23), property managers predicted maintenance increases of 5 to 7 percent in 2010, mostly because of taxes.

But maintenance fees went up an average 11 percent in 2010, and property managers anticipate they could rise by as much as 15 percent in the coming year. Property taxes were again named as the main culprit for the [heftier maintenance bills](#) this year and next.

Average carrying costs for Manhattan co-ops and condos rose to \$1,855 a month in 2010, from \$1,726 in 2009, according to data compiled by Jonathan J. Miller, the president of the appraisal firm Miller Samuel and a market analyst for Prudential Douglas Elliman. Five years ago, in 2006, the average was \$1,491, nearly 25 percent lower.

Property managers, who recently sent out notices about maintenance increases that will take effect in January, said increases would range from as low as 3 percent to 15 percent, depending on whether a building had deferred any costs in recent years.

Tax bills are on the rise because of a tax rate increase that kicks in on Jan. 1, and because tax assessments are continuing to go up despite the relatively flat real estate market. Assessments have not gone down even as values have dipped because they are phased in over a five-year period, and tax bills are still being calculated using property valuations that were made when the market was booming in 2007 and early 2008.

"Even though we were in a down financial situation, real estate taxes saw huge jumps last year and the year before," said Stuart Smolar, the executive director of the Andrews Building Corporation, which manages more than 300 properties. He said the average tax increase this year, though, should be a little lower.

Stuart M. Saft, the chairman of the Council of New York Cooperatives and Condominiums, said that "a couple years from now, when tax appeal hearings are held," and the highest valuations are replaced by lower ones, "there will finally be some reduction in real estate taxes."

The combined tax rate and tax assessment increases are a "double whammy" for homeowners, said Dan Wurtzel, the president of Cooper Square Realty, which manages 400 buildings in New York City.

Using an Upper East Side building with about 160 units as an example, Mr. Wurtzel said that the building's assessed valuation last year was \$8.8 million, giving it a \$1.165 million tax bill. This year, the assessment rose to \$9.5 million and taxes went up to \$1.268 million; and the bill starting next July is estimated at \$1.4 million because of an anticipated \$10.1 million assessed valuation. "Everything is going up every year," Mr. Wurtzel said.

In addition to property taxes, buildings must contend with rising utility costs and salary increases of about 3 percent negotiated last spring for the 30,000 unionized doormen, porters, janitors and building superintendents.