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About Real Estate

Barbizon Hotel, Long an Anachronism, Begins a New Life

By ALAN S. OSER

On Valentine's Day the Barbizon Hotel for Women at Lexington Avenue and 63d Street changed its name to the Barbizon and began to accept male guests. News gatherers assembled to record the momentous event. The hotel had arranged a drawing from the names of the 60 men and couples who had registered, and Dr. David Cleveland of Cambridge, Mass., was immortalized as the first male to rent a room at the Barbizon since it was built in 1927.

In real estate terms, the hotel has been an anachronism for years but not because it accepted only women. It was a low-priced hotel — actually a single-room occupancy hotel — in a location capable of commanding luxury rents. After its transition is completed, it will still be unusual because it will be the only medium-priced hotel for transient guests in the exclusive East 60's.

No doubt it would never have happened this way had the ownership succeeded in relocating the remaining women tenants with long-term leases. Some of them have lived at the Barbizon for more than 30 years. Since that negotiation failed, however, the owners are moving forward with the floor-by-floor conversion, having first set aside a wing where the long-term tenants who do not want to leave will remain.

The entrepreneur in the situation is David Teitelbaum, the 42-year-old principal in Teitelbaum Holdings Ltd. He is also a partner in the Barbizon ownership group, Barbilex Associates. Mr. Teitelbaum became the manager of the hotel in 1974 and has remained so under three ownerships.

Under the current ownership Mr. Teitelbaum is the general partner, and he finds himself in charge of the very type of conversion that he says he advocated in the first place. In an interview this week, he described the upgrading project now under way.

Two years ago there were 500 long-term women tenants in 686 rooms of the Barbizon, most of the rooms being only 125 square feet. On most floors, bathrooms and showers are "down the hall." The tenants were paying weekly and monthly rates, protected by rent control or rent stabilization.

William Zeckendorf Jr. was the owner at the time. His hope was to "J-51" the building. This jargon, used by real estate people, means a total rehabilitation into rental apartments using the city's J-51 tax incentive program, much as Mr. Zeckendorf has done at the former McAlpin Hotel at Broadway and 34th Street.

The Barbizon Hotel for Women stopped accepting weekly and monthly

tenants, and the number gradually fell. After the Barbilex purchase, long-term tenancies declined still further.

Then came negotiations to relocate the remaining tenants. "We offered \$1 million," Mr. Teitelbaum said. When these negotiations failed, the plan for the hotel changed.

The hotel is U-shaped, with the base of the U facing 63d Street just east of Lexington Avenue. On the main floors the hotel has 130 private rooms (with their own baths), 94 semiprivate rooms (two semiprivate rooms share a single bathroom) and 431 "pension" rooms. The pension, or dormitory-style, rooms use shared-bath facilities.

The total is 655. Subtract 111 rooms for remaining long-term tenants (all of whom are being relocated to reconditioned rooms in a single wing) and the builders would have 544 rooms available for transient use. But half of the pension rooms that are available for reconstruction will be eliminated by doubling the size of each room.

In the end, after an estimated \$25 million investment, the Barbizon will have 461 rooms for transients, a mixture of private and semiprivate facilities.

The average rate at the Barbizon for an existing transient room, with private bath and 150 square feet of space, is \$49 to \$59 a night. The average rate for a newly converted room with pri-

vate bath will be \$69 to \$79 a night. "We're putting 10 rooms a week on stream," Mr. Teitelbaum said. The reconditioned semiprivate rooms, he added, will rent at \$39 to \$49 a night.

The 25,000 square feet on the tower floors on this vaguely Moroccan-looking building are marked off by an outdoor wraparound terrace at the 18th floor. The tower will be rented out on long leases as expensive apartments. And at the base the owners will create a Londonesque "Palm Court" on a level above and overlooking a radically redesigned main lobby. There is to be a bar and a restaurant seating 200.

The hotel's health facility, with a 20-foot-by-60-foot pool, is to be leased to a private operator. It will have about 10,000 square feet of space, opening in October or November. The hotel will be fully tax-paying, which would not have been the case in a conversion to apartments.

With various partners, Mr. Teitelbaum also owns other properties in the city. He converted the building at 111 Fourth Avenue into 180 rental apartments in the mid-1970's and later converted it into a cooperative. He is also the designated developer who will convert the Federal Archives building in Greenwich Village to housing.

In another project, he is sponsoring conversion of the rental building at 230 Central Park South into a cooperative.