

Sale Leads To Speculation

Now that the properties have been sold, what's next for the former DeJohn's/Legends building?

by [Ali Hibbs](#) on May 28, 2015 · [0 comments](#)

The vacant properties on Lark Street that were home to DeJohn's Pub and Legends Sports Lounge have finally been sold at auction—for far less than the original asking price. New owners, New York Business Development Corporation, intend to sell the building to the highest bidder, but there are a couple of factors which may deter potential buyers.

Now recognized as only one address at 288 Lark St. due to a shared kitchen, the property has reverted to a C-1 zoned property and no longer enjoys the special use permits that allowed previous tenants to keep businesses open past 11 PM as well as operate on more than two floors. Under the C-1 restrictions, no commercial enterprise at that address may operate above the basement and first-floor levels, nor outside of the hours between 6 AM and 11 PM without re-applying for—and receiving—new special use permits. Neighborhood opposition could make obtaining such variances more difficult than potential buyers are willing to risk and there are some residents who oppose the zoning variance. They have indicated that they would prefer to see upscale dining or retail inhabit the space—places, specifically, that close at an earlier hour than tavern-type establishments and that are less likely to create noise into the early hours of the morning.

When DeJohn's and Legends closed their doors in 2013, the asking price for both properties was \$1.2 million. It soon dropped under \$900,000 and, last Thursday, was finally sold to NYBDC for \$476,000—about \$290,000 less than was owed when the properties were ultimately foreclosed on early this year. Any potential buyer would owe \$37,000 in taxes accrued by the property, which will likely be built into the asking price. According to someone with knowledge of the foreclosure and recent sale, the building is reported to have been progressively gutted of anything of value.

Owner John DeJohn closed the doors in late 2013, claiming a reduction in patronage and hostility from neighborhood groups who expected him to close at 2 AM, per the requirements of his special use permit. Due to the residential nature of much of the Lark Street neighborhood, DeJohn's and Legends were only permitted to remain open until 2 AM instead of 4 AM like so many other Albany establishments—including Justin's, another DeJohn enterprise directly across the street which was grandfathered into their permitted closing time. (Currently, DeJohn is reportedly not involved in the operation of any of his Albany ventures.)

“These buildings present a unique opportunity for mixed use in a variety of different ways,” said County Legislator Chris Higgins, who represents the fifth district in which the property is

located. “Hopefully someone thinking outside of the box will step up to the plate and hit a home run with a great business proposal everyone would love to see here on Lark Street.”

“As a resident of the Hudson Park neighborhood I am in favor of any business that enhances the quality of life of the residents of the neighborhood and operates within the law,” said Stephanie Richardson, who is also a member of the Hudson Park Neighborhood Association and the Lark Street Quality of Life Committee.

“I’m hopeful the bank will work with interested buyers to help expedite sale of the buildings for a reasonable price,” continued Higgins. “I think neighborhood residents and others would really like to see these buildings occupied with new responsible businesses as soon as possible.”

NYBDC, a lender that specializes in small business growth, has indicated that they are willing to entertain any reasonable offers and that they would even be willing to help serious buyers put together business plans and find financial backing.