

29271

September 18, 2012

To: Members of the Board of Acquisition and Contract

From: Jay T. Pisco, P.E.
Commissioner of Public Works and Transportation

Mary J. Mahon
Director of Real Estate

Re: **Authority to enter into a Lease Agreement with North Brook Realty Associates, a general partnership, having an office and place of business at 270 North Avenue, New Rochelle, New York 10801 for approximately 20,000 square feet of space at 270 North Avenue in the City of New Rochelle, New York, for a period of five (5) years commencing on January 1, 2013, at a base rental of \$417,000.00 for the first year of the agreement (Agreement No. 12-922)**

Authority is requested for the County of Westchester (the "County") to enter into a lease agreement with North Brook Realty Associates (the "Landlord"), for approximately 20,000 square feet of office space at 270 North Avenue, New Rochelle, New York (the "Leased Premises"). The leased space encompasses the fifth floor and sixth floor and will be occupied by Department of Environmental Facilities staff.

The County has occupied space in this building since 1993. The previous lease executed in 2007 was for approximately 40,000 square feet of space and was utilized by the Department of Social Services and the Department of Environmental Facilities. However, in 2008, the Department of Social Services moved out of the space and into the Yonkers District Offices, and the Department of Environmental Facilities has subsequently reduced its space requirements. Therefore, the new lease will be for 20,000 square feet. The term of the proposed five (5) year lease agreement is January 1, 2013 through December 31, 2017. This lease will result in savings over the five (5) year lease term of approximately \$363,000.00. The base rent for the new five (5) year term will be as follows: \$417,000.00 for year one of the lease term, in equal monthly installments of \$34,750.00; \$437,000.00 for year two, in equal monthly installments of \$36,416.67; \$457,000.00 for year three, in equal monthly installments of \$38,083.34; \$457,000.00 for year four, in equal monthly installments of \$38,083.34; and \$477,000.00 for year five, in equal monthly installments of \$39,750.00.

Under the terms of the lease the County will also be responsible to pay as additional rent its proportionate share of any increase in Real Estate Taxes over and above the base amount of the Real Estate Taxes for the calendar year 2012 as to City and County Tax and 2012/2013 as to School Tax attributable to the property of which the Leased Premises is a part.

The Landlord shall also be responsible, at the Landlord's cost, for completing the improvements requested by the County as listed in Schedule "A" attached to the Resolution. The lease also includes, at no additional charge, the use of twenty-four (24) on-site parking spaces and an additional three (3) parking spaces for the County's use off-site. The lease shall also contain a mutual indemnification clause whereby the County and the Landlord shall indemnify each other for damages caused by the indemnifying party.

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North Brook Realty Associates
Space at 270 North Avenue, New Rochelle, New York
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This lease agreement serves a public purpose because it will continue to provide the Department of Environmental Facilities with sufficient space to provide its programs to the residents of Westchester County. There are no energy or environmental components associated with this agreement. This agreement will be monitored by the Department of Public Works and Transportation to insure that the lease responsibilities are met by the owner.

This lease is exempt from the Westchester County Procurement Policy pursuant to Section 3(b) thereof. A proposed form of Resolution is attached for your consideration.

JTP/MJM/dm
Attachment

APPROVED BOARD OF ACQUISITION & CONTRACT - 10/11/2011 - DOMARY VIEIRA, SECRETARY

RESOLUTION

Upon a communication from the Commissioner of Public Works and Transportation and the Director of Real Estate, be it hereby

RESOLVED, that the County of Westchester (the "County") is authorized to enter into a five (5) year lease, commencing January 1, 2013, with North Brook Realty Associates (the "Landlord"), for approximately 20,000 square feet of office space encompassing the fifth floor and sixth floor at 270 North Avenue in the City of New Rochelle, New York (the "Leased Premises"); and be it further

RESOLVED, that the base rent shall be \$417,000.00 for the first year of the lease, \$437,000.00 for the second year of the lease, \$457,000.00 for the third year of the lease, \$457,000.00 for the fourth year of the lease and \$477,000.00 for the fifth year of the lease, which amounts shall be subject to appropriation; and be it further

RESOLVED, that under the terms of the lease, the County will also be responsible to pay as additional rent its proportionate share of any increase in Real Estate Taxes over and above the base amount of the Real Estate Taxes for the calendar year 2012 as to City and County Tax and 2012/2013 as to School Tax attributable to the property of which the Leased Premises is a part; and be it further

RESOLVED, that the lease shall require the Landlord to complete the improvements listed in Schedule "A" attached hereto; and be it further

RESOLVED, that the lease shall also include, at no additional charge, the use of twenty-four (24) on-site parking spaces and an additional three (3) parking spaces for the County's use off-site; and be it further

RESOLVED, that the lease shall contain a mutual indemnification clause whereby the County and the Landlord shall indemnify each other for damages caused by the indemnifying party; and be it further

RESOLVED, that the County Executive or his duly authorized designee is hereby authorized and empowered to execute any and all documents necessary and appropriate to effectuate the purpose hereof.

Agreement No. 12-922

Account to be Charged/Credited	Fund	Dept.	Major Program, Program & Phase Or Unit	Object/ Sub Object	Trust Account	Dollars
	101	46	3360	4320		\$417,000.00 (2013)
	101	46	3360	4320		\$437,000.00 (2014)
	101	46	3360	4320		\$457,000.00 (2015)
	101	46	3360	4320		\$457,000.00 (2016)
	101	46	3360	4320		\$477,000.00 (2017)

Budget Funding Year(s) 2013-2017 Start Date 01/01/13 End Date 12/31/17
 (must match resolution)

Funding Source: Tax Dollars 100% County Contractor Federal I.D. No./ Social Security No.: _____
 State Aid _____
\$2,245,000.00 Federal Aid _____ Vendor No.: _____
 (must match resolution) Other _____ Encumbrance No.: _____

SCHEDULE "A"

Landlord Work

The Landlord shall perform, at its sole cost and expense, the following work:

- (a) Replace peeling, missing and unevenly installed carpeting;
- (b) Repair and paint all walls in offices and common areas;
- (c) Install non-structural wall to serve as a sound barrier between the new eating area on the fifth floor and the surrounding cubicle;
- (d) Repair or replace sixteen (16) window locks and thirty-six (36) window security stoppers in locations to be identified by the Lessee;
- (e) Install a security card reader in accordance with the Lessee's specifications on the sixth floor, a buzzer for visitors and a release button to permit entry; and
- (f) Install a bicycle rack outside of the building, in a location to be determined by the Lessor, for the non-exclusive use of the Lessee's employees.