



Robert P. Astorino  
County Executive

Department of Social Services

Kevin M. McGuire  
Commissioner

**41782**

DATE: August 12, 2014

TO: Board of Acquisition and Contract

FROM: Kevin M. McGuire  
Commissioner, Department of Social Services

SUBJECT: Authority for the County of Westchester to enter into a sublease agreement with Westhab, Inc., pursuant to which Westhab, Inc. will sublease to the County eight (8) apartments for transitional housing for homeless single persons and families, for a term commencing August 15, 2014 and continuing through July 31, 2019, for a total amount not-to-exceed \$2,159,424.00.

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Authority is respectfully requested from your Honorable Board for the County of Westchester (the "County") to enter into a sublease agreement (the "Agreement") with Westhab, Inc. ("Westhab"), pursuant to which Westhab will sublease to the County eight (8) apartments at 205 South Waverly Street in Yonkers (the "Premises") for transitional housing for homeless single persons and families, for a term commencing on August 15, 2014 and continuing through July 31, 2019, for a total amount not-to-exceed \$2,159,424.00, payable monthly, with rents as follows:

8/15/14 - 8/31/14:	\$73,848.00
9/1/14 - 7/31/15:	\$33,696.00 per month
8/1/15 - 7/31/16:	\$34,292.42 per month
8/1/16 - 7/31/17:	\$35,446.42 per month
8/1/17 - 7/31/18:	\$36,076.25 per month
8/1/18 - 7/31/19:	\$37,094.92 per month

Under the proposed Agreement, the eight (8) apartments will consist of four (4) furnished one (1) bedroom apartments and four (4) furnished two (2) bedroom apartments. The above-specified rents include gas, electric, water, and sewer utilities.

Under the proposed Agreement, Westhab will agree, for the term of the proposed Agreement, to sublease the remaining twelve (12) units in the Premises to currently homeless persons who are referred to Westhab by the County's Department of Social Services, and to set the rent for such units at the "shelter supplement rent" amount. These twelve (12) units will consist of six (6) studio apartments, two (2) one-bedroom apartments, and four (4) two-bedroom apartments. The tenants subletting the twelve (12) units will pay the cost of gas and electricity for their apartments directly to the utility company.

Under the proposed Agreement, Westhab will provide property management services, security services, maintenance services, and janitorial services for the Premises.

Under the proposed Agreement, the County will separately pay to Westhab \$25,050.00, which Westhab will deposit with Westhab's landlord as a security deposit for the Premises. At the end of the term of the proposed Agreement, Westhab will obtain a refund from the landlord of the amount of the security deposit due back to Westhab, and Westhab will return to the County the amount of security deposit refunded by the landlord to Westhab, less any amounts owed to Westhab by the County for performance under the proposed Agreement.

Under the proposed Agreement, the County will provide the following indemnification to Westhab:

"Except for the amount, if any, of damage contributed to, caused by, or resulting from the negligence of the Lessor or the Sublessor, Sublessee shall indemnify and hold harmless Sublessor from and against any and all liability, damage, claims, demands, costs, judgments, fees, attorney's fees or loss arising directly out of the conduct of Sublessee hereunder, the conduct of the occupants placed in the Premises by Sublessee, or third parties under the direction or control of Sublessee."

The proposed Agreement will serve a public purpose by providing additional units of housing for homeless persons.

The goal and objective of the proposed Agreement is to provide additional units of housing for homeless persons.

The goal and objective of the proposed Agreement is in the best interests of the County in terms of health and safety, as providing housing for homeless persons will help ensure the health and safety of such persons.

The goal and objective of the proposed Agreement will be tracked and monitored by the staff of the Department of Social Services.

Section 3(b) of the County's Procurement Policy provides that the "policy shall not apply to real property leases, licenses and concessions."

I respectfully recommend the adoption of the attached Resolution.

## RESOLUTION

Upon a communication from the Commissioner of the Department of Social Services, be it hereby:

**RESOLVED**, that the County of Westchester (the "County") is hereby authorized to enter into a sublease agreement (the "Agreement") with Westhab, Inc. ("Westhab"), pursuant to which Westhab will sublease to the County eight (8) apartments at 205 South Waverly Street in Yonkers (the "Premises") for transitional housing for homeless single persons and families, for a term commencing August 15, 2014 and continuing through July 31, 2019, for a total amount not-to-exceed \$2,159,424.00, payable monthly, with rents as follows:

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; and be it further

**RESOLVED**, that under the Agreement, the eight (8) apartments will consist of four (4) furnished one (1) bedroom apartments and four (4) furnished two (2) bedroom apartments; and be it further

**RESOLVED**, that the above-specified rents include gas, electric, water, and sewer utilities; and be it further

**RESOLVED**, that under the Agreement, Westhab will agree, for the term of the Agreement, to sublease the remaining twelve (12) units in the Premises to currently homeless persons who are referred to Westhab by the County's Department of Social Services, and to set the rent for such units at the "shelter supplement rent" amount; and that these twelve (12) units will consist of six (6) studio apartments, two (2) one-bedroom apartments, and four (4) two-bedroom apartments; and that the tenants subletting the twelve (12) units will pay the cost of gas and electricity for their apartments directly to the utility company; and be it further

**RESOLVED**, that under the Agreement, Westhab will provide property management services, security services, maintenance services, and janitorial services for the Premises; and be it further

**RESOLVED**, that under the Agreement, the County will separately pay to Westhab \$25,050.00, which Westhab will deposit with Westhab's landlord as a security deposit for the Premises, and at the end of the term of the Agreement, Westhab will obtain a refund from the landlord of the amount of the security deposit due back to Westhab, and Westhab will return to the County the amount of security deposit refunded by the landlord to Westhab, less any amounts owed to Westhab by the County for performance under the Agreement; and be it further

**RESOLVED**, that under the Agreement, the County will provide the following indemnification to Westhab:

“Except for the amount, if any, of damage contributed to, caused by, or resulting from the negligence of the Lessor or the Sublessor, Sublessee shall indemnify and hold harmless Sublessor from and against any and all liability, damage, claims, demands, costs, judgments, fees, attorney's fees or loss arising directly out of the conduct of Sublessee hereunder, the conduct of the occupants placed in the Premises by Sublessee, or third parties under the direction or control of Sublessee.”

; and be it further

**RESOLVED**, that the Agreement is subject to County appropriations; and be it further

**RESOLVED**, that the Agreement is also subject to further financial analysis of the impact of any New York State Budget (the “State Budget”) proposed and adopted during the term of the Agreement. The County shall retain the right, upon the occurrence of any release by the Governor of a proposed State Budget and/or the adoption of a State Budget or any amendments thereto, and for a reasonable period of time after such release(s) or adoption(s), to conduct an analysis of the impacts of any such State Budget on County finances. After such analysis, the County shall retain the right to either terminate the Agreement or to renegotiate the amounts and rates approved herein. If the County subsequently offers to pay a reduced amount to the contractor, then the contractor shall have the right to terminate the Agreement upon reasonable prior written notice; and be it further

**RESOLVED**, that the County Executive or his duly authorized designee is empowered to execute all documents and take all actions necessary to effect the purpose of this resolution.

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Account to be  
Charged/Credited

	Fund	Dept	Unit	Object/ Sub Object	Trust Account	Activity	Dollars
2014	101	22	8900	5850	-----	-----	\$104,316
2014	101	22	8900	5860	-----	-----	\$104,316
2015	101	22	8900	5850	-----	-----	\$203,667
2015	101	22	8900	5860	-----	-----	\$203,667
2016	101	22	8900	5850	-----	-----	\$208,640
2016	101	22	8900	5860	-----	-----	\$208,640
2017	101	22	8900	5850	-----	-----	\$214,253
2017	101	22	8900	5860	-----	-----	\$214,253
2018	101	22	8900	5850	-----	-----	\$219,004
2018	101	22	8900	5860	-----	-----	\$219,004
2019	101	22	8900	5850	-----	-----	\$129,832
2019	101	22	8900	5860	-----	-----	\$129,832

Budget Funding Year(s): 2014-2019  
(must match resolution)

Start Date: 08/15/14

End Date: 07/31/19

Funding Source		<u>5860</u>	<u>5850</u>
	Tax Dollars:	71%	1%
	State Aid:	29%	0%
	Federal Aid:		99%
	Other:		
<b><u>\$2,159,424</u></b>			

(must match resolution)

APPROVED BOARD OF ACQUISITION & CONTRACTS 2014-2019 - JOMARY HEIRA, SECRETARY