



George Latimer
County Executive

Department of Social Services

Kevin M. McGuire
Commissioner

76109

DATE: April 17, 2020

TO: Board of Acquisition and Contract

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

Gary A. Friedman
Director of Real Estate

SUBJECT: Authority to exercise the County's first option under its lease agreement with Saw Mill Lodging LLC, pursuant to which agreement it leased one (1) building, consisting of thirty-nine (39) rooms, at the hotel known as the Days Inn by Wyndham Elmsford/White Plains, which was to be used to house for COVID-19 patients who had been released from the hospital but were not yet able to return to their prior housing.

By a resolution approved on April 2, 2020, your Honorable Board authorized the County of Westchester (the "County") to enter into a lease agreement (the "Agreement") with Saw Mill Lodging LLC ("Saw Mill Lodging"), pursuant to which Saw Mill Lodging was to lease to the County one (1) building, known as Building C, consisting of thirty-nine (39) rooms, at the hotel known as the Days Inn by Wyndham Elmsford/White Plains, located at 25 Valley Avenue in Elmsford, (the "Days Inn") which was to be used to house for COVID-19 patients who had been released from the hospital but were not yet able to return to their prior housing, for a monthly rental cost of \$75,000.00, for an initial term commencing on April 1, 2020 and continuing through April 30, 2020, with the County having the sole option to extend the term of the agreement for up to two (2) additional months on the same terms as the initial term. The Agreement was subsequently executed.

The County continues to require the use of Building C at the Days Inn. Accordingly, the County respectfully requests authority from your Honorable Board to exercise its first option under the Agreement and thereby, 1.) extend the term thereof by one (1) month, through the first

option term, to a new termination date of May 31, 2020; and 2.) increase the total authorized rental costs thereof by \$75,000.00, from \$75,000.00 to \$150,000.00, to provide for the rent payment for the first option term, which shall be payable as specified in the Agreement (the "Option-Exercise").

Except as specifically described above, all terms and conditions of the Agreement shall remain in full force and effect.

The proposed Option-Exercise will serve a public purpose by providing the County with an additional month of housing for COVID-19 patients who have been released from the hospital but are not yet able to return to their prior housing.

The goal and objective of the proposed Option-Exercise is to provide the County with an additional month of housing for COVID-19 patients who have been released from the hospital but are not yet able to return to their prior housing.

The goal and objective of the proposed Option-Exercise is in the best interests of the County in terms of health and safety, as providing the County with an additional month of housing for COVID-19 patients who have been released from the hospital but are not yet able to return to their prior housing will ensure that such persons have, for said additional month, the safe housing and necessary attention that they need while they recuperate.

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

Under 2 CFR 200.465, which contains the Federal 'cost principles' applicable to lease costs for real property where Federal funds are used, "rental costs are allowable to the extent that the rates are reasonable in light of such factors as: rental costs of comparable property, if any; market conditions in the area; alternatives available; and the type, life expectancy, condition, and value of the property leased." The Director of Real Estate has determined that, based upon the pertinent factors, the rental costs for the first option term are reasonable.

I respectfully recommend the adoption of the attached Resolution.

KMM/GF/bdm/nm

RESOLUTION

Upon a communication from the Commissioner of the Department of Social Services and the Director of Real Estate, be it hereby:

RESOLVED, that the County of Westchester (the "County") is hereby authorized to exercise its first option under its agreement with Saw Mill Lodging LLC ("Saw Mill Lodging"), pursuant to which Saw Mill Lodging was to lease to the County one (1) building, known as Building C, consisting of thirty-nine (39) rooms, at the hotel known as the Days Inn by Wyndham Elmsford/White Plains, located at 25 Valley Avenue in Elmsford, (the "Days Inn") which was to be used to house for COVID-19 patients who had been released from the hospital but were not yet able to return to their prior housing, for a monthly rental cost of \$75,000.00, for an initial term commencing on April 1, 2020 and continuing through April 30, 2020, with the County having the sole option to extend the term of the agreement for up to two (2) additional months on the same terms as the initial term, (the "Agreement"), and thereby, 1.) extend the term thereof by one (1) month, through the first option term, to a new termination date of May 31, 2020; and 2.) increase the total authorized rental costs thereof by \$75,000.00, from \$75,000.00 to \$150,000.00 (the "Option-Exercise"); and be it further

RESOLVED, that except as specifically hereby authorized to be modified by the Option-Exercise, all terms and conditions of the Agreement shall remain in full force and effect; 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.

Original Amount: \$75,000
 This Amendment: \$75,000
 New Total: \$150,000

Account to be
 Charged/Credited

Fund	Dept	Unit	Object/ Sub Object	Trust Account	Activity	Dollars
101	22	0010	4998			75,000

Budget Funding Year(s): 2020 Start Date: 05/01/20 End Date: 05/31/20
 (must match resolution)

Funding Source Tax Dollars: 0%
 State Aid: 0%
\$75,000.00 Federal Aid: 100%
 (must match resolution) Other: 0%