

**ID 80608**

Date: November 10, 2020

To: Honorable Members of the Board of Acquisition and Contract

From: Kathleen O'Connor  
Commissioner of Parks, Recreation and Conservation

Re: **Request for Authority for the County of Westchester (the "County") to terminate the current lease for the Glen Island Casino (a/k/a the Glen Island Harbour Club) and enter into a new thirty (30) year lease with Homestyle Hospitality, LLC for the use, occupancy and operation of the Glen Island Casino**

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Authority is hereby requested for the County to terminate the current lease for the Glen Island Casino (a/k/a the Glen Island Harbour Club and hereinafter referred to as "Glen Island Casino") and enter into a new lease with Homestyle Hospitality, LLC for the use, occupancy and operation of the Glen Island Casino having a term of thirty (30) years commencing on November 1, 2020 and terminating on October 31, 2050.

As your Honorable Board may recall, Local Law 17-1996 authorized the County to enter into a lease agreement (the "1997 Lease") with Continental Hosts, Ltd. for the Glen Island Casino for a 10-year term. Thereafter, Local Law 8-2004 authorized the County to amend and extend the 1997 Lease through September 30, 2027. Subsequently, Act No. 204-2018 authorized Continental Hosts, Ltd. to assign the 1997 Lease to an entity named Homestyle Hospitality, Inc. Local Law 20 -2020 authorized the County terminate the 1997 Lease for the Glen Island Casino and to enter into this new lease agreement. It should be noted by your Honorable Board, that subsequent to the execution of that lease assignment, the Department of Parks, Recreation and Conservation (the "Department") learned that the legal name for Homestyle Hospitality, Inc. is actually Homestyle Hospitality, LLC, that Homestyle Hospitality, LLC is the entity that has operated the Glen Island Casino since your Honorable Board's approval of Act. No. 204-2018, and that this incorrect name was an inadvertent error.

Under the terms of the proposed thirty (30) year lease, the County shall be paid minimum annual rent as follows: (i) Two Hundred Thousand Dollars (\$200,000) in years one through five of the lease, (ii) Two Hundred Ten Thousand Dollars (\$210,000) in years six through ten of the lease, (iii) Two Hundred Twenty Thousand Five Hundred Dollars (\$220,500) in years eleven through fifteen of the lease, (iv) Two Hundred Thirty-One Thousand, Five Hundred Dollars (\$231,500) in years sixteen through twenty of the lease, (v) Two Hundred Forty-Three

Thousand, One Hundred Dollars (\$243,100) in years twenty-one through twenty-five of the lease, and (vi) Two Hundred Fifty-Five Thousand, Two Hundred Fifty-Five Dollars (\$255,255) in years twenty-five through thirty of the lease.

In addition, Homestyle Hospitality, LLC will pay to the County, as additional rent, a percentage annual gross receipts exceeding One Million (\$1,000,000) Dollars as follows: (i) six and one-half percent (6.5%) for years one through ten of the lease, (ii) seven percent (7%) for years eleven through fifteen of the lease, (iii) seven and one-half percent (7.5%) for years sixteen through twenty-five of the lease, and (iv) eight percent (8%) for years twenty-six through thirty of the lease. Furthermore, pursuant to the proposed lease agreement, Homestyle Hospitality, LLC will spend a minimum of at least Two Million Eight Hundred and Forty-Five Thousand Dollars (\$2,845,000) during years one through five of the lease on improvements to the Glen Island Casino, and a minimum of at least Two Million Two Hundred and Fifty Thousand Dollars (\$2,250,000) during years six through ten of the lease, for a minimum total amount of improvements of Five Million Ninety-Five Thousand Dollars (\$5,095,000) during years one through ten of the lease. All improvements will be subject to the approval of the County and will be subject to further Environmental Review pursuant to SEQRA.

The proposed lease agreement will serve a public purpose by ensuring the development and maintenance of the Glen Island Casino for the benefit of Westchester residents and to provide a venue in Glen Island Park for catered events which will support the Department, the local economy and provide significant tax revenue. The goals and objectives of the proposed lease agreement are to provide revenue for the County, as well as an important catering venue for Westchester County residents. The goals and objectives of the proposed lease agreement will be tracked and monitored by visits and interactions with staff and patrons to be conducted by Department personnel.

The proposed lease agreement is not subject to the operation of the Westchester County Procurement Policy pursuant to Section 3(b) thereof.

I urge your favorable action of the proposed Resolution.

KOC/jpi  
Att.

## RESOLUTION

Upon a communication from the Commissioner of Parks, Recreation and Conservation, be it hereby

**RESOLVED**, that the County of Westchester (the "County") is hereby authorized to terminate the current lease for Glen Island Casino (a/k/a the Glen Island Harbour Club and hereinafter referred to as "Glen Island Casino") and enter into a new lease with Homestyle Hospitality, LLC for the use, occupancy and operation of the Glen Island Casino having a term of thirty (30) years commencing on November 1, 2020 and terminating on October 31, 2050; and be it further

**RESOLVED**, that pursuant to the terms of the proposed thirty (30) year lease, the County shall be paid minimum annual rent as follows: (i) Two Hundred Thousand Dollars (\$200,000) in years one through five of the lease, (ii) Two Hundred Ten Thousand Dollars (\$210,000) in years six through ten of the lease, (iii) Two Hundred Twenty Thousand Five Hundred Dollars (\$220,500) in years eleven through fifteen of the lease, (iv) Two Hundred Thirty-One Thousand, Five Hundred Dollars (\$231,500) in years sixteen through twenty of the lease, (v) Two Hundred Forty-Three Thousand, One Hundred Dollars (\$243,100) in years twenty-one through twenty-five of the lease, and (vi) Two Hundred Fifty-Five Thousand, Two Hundred Fifty-Five Dollars (\$255,255) in years twenty-five through thirty of the lease. In addition, Homestyle Hospitality, LLC will pay to the County, as additional rent, a percentage annual gross receipts exceeding One Million (\$1,000,000) Dollars as follows: (i) six and one-half percent (6.5%) for years one through ten of the lease, (ii) seven percent (7%) for years eleven through fifteen of the lease, (iii) seven and one-half percent (7.5%) for years sixteen through twenty-five of the lease, and (iv) eight percent (8%) for years twenty-six through thirty of the lease. Furthermore, pursuant to the proposed lease, Homestyle Hospitality, LLC will spend a minimum of at least Two Million Eight Hundred and Forty-Five Thousand Dollars (\$2,845,000) during years one through five of the lease on improvements to the Glen Island Casino, and a minimum of at least Two Million Two Hundred and Fifty Thousand Dollars (\$2,250,000) during years six through ten of the lease, for a minimum total amount of improvements of Five Million Ninety-Five Thousand Dollars (\$5,095,000) during years one through ten of the lease. All improvements will be subject to the approval of the County and will be subject to further Environmental Review pursuant to SEQRA; and be it further

**RESOLVED**, that the County Executive or his authorized designee is hereby authorized to execute any documents and take any actions reasonably necessary and appropriate to effectuate the purposes of this Resolution.

Account to be  
Charged/Credited

Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub-Object	Trust Account	Dollars	Year
165	42	4175	9246		\$33,333.34	2020
165	42	4175	9246		\$200,000.00	2021
165	42	4175	9246		\$200,000.00	2022
165	42	4175	9246		\$200,000.00	2023
165	42	4175	9246		\$200,000.00	2024
165	42	4175	9246		\$201,666.66	2025
165	42	4175	9246		\$210,000.00	2026
165	42	4175	9246		\$210,000.00	2027
165	42	4175	9246		\$210,000.00	2028
165	42	4175	9246		\$210,000.00	2029
165	42	4175	9246		\$211,750.00	2030
165	42	4175	9246		\$220,500.00	2031
165	42	4175	9246		\$220,500.00	2032
165	42	4175	9246		\$220,500.00	2033
165	42	4175	9246		\$220,500.00	2034
165	42	4175	9246		\$222,333.34	2035
165	42	4175	9246		\$231,500.00	2036
165	42	4175	9246		\$231,500.00	2037
165	42	4175	9246		\$231,500.00	2038
165	42	4175	9246		\$231,500.00	2039
165	42	4175	9246		\$233,433.32	2040
165	42	4175	9246		\$243,100.00	2041
165	42	4175	9246		\$243,100.00	2042
165	42	4175	9246		\$243,100.00	2043
165	42	4175	9246		\$243,100.00	2044
165	42	4175	9246		\$245,125.84	2045
165	42	4175	9246		\$255,255.00	2046
165	42	4175	9246		\$255,255.00	2047
165	42	4175	9246		\$255,255.00	2048
165	42	4175	9246		\$255,255.00	2049
165	42	4175	9246		\$212,712.50	2050

APPROVED BOARD OF ACQUISITION & CONTRACT - 11/25/2020 - JOAN COCCARDI, SECRETARY

Budget Funding Year(s): 2020-2050  
(must match resolution)

Start Date: 11/1/2020

End Date: 10/31/2050

Funding Source

Tax Dollars \_\_\_\_\_

State Aid \_\_\_\_\_

**\$6,801,775.00**

Federal Aid \_\_\_\_\_

(must match resolution)

Other \_\_\_\_\_

Revenue \_\_\_\_\_

APPROVED BOARD OF ACQUISITION & CONTRACT - 11/25/2020 - JOAN COCCIARDI, SECRETARY