

17488

February 22, 2011

TO: Board of Acquisition and Contract

FROM: John J. Hsu, P.E.  
Commissioner of Public Works and Transportation

Mary Mahon  
Director of Real Estate

RE: **Authorization to enter into a ten (10) year Lease Agreement with VIF 20 South Broadway, LLC for approximately 16,300 square feet of space at 20 South Broadway, Yonkers, New York for the Westchester County Department of Health District Office for the period commencing May 1, 2010 and terminating April 30, 2020. (Lease Agreement No. 11-903)**

Pursuant to Local Law 2011-3, the County Board of Legislators authorized the County of Westchester (the "County") to enter into a ten (10) year lease agreement with VIF 20 South Broadway, LLC (the "Landlord"), for approximately sixteen thousand three hundred (16,300) square feet of space (the "Premises") located at 20 South Broadway, Yonkers, New York (the "Building") to be utilized as a Westchester County Department of Health ("DOH") District Office. The Premises consists of two (2) separate spaces: Space A consists of approximately twelve thousand ninety (12,090) square feet located on the second floor of the Building and Space B consists of approximately four thousand two hundred ten (4,210) square feet located on the third floor of the building. DOH currently occupies space on the second and fourth floors in the Building for clinical operations and environmental health staff, respectively. With the new lease, Health Department staff from the fourth floor would move to the third floor and there would be no change in the second floor space needs. The proposed lease provides DOH with an option to terminate Space B upon sixty (60) days written notice at any time prior to October 31, 2011 should the County decide to consolidate its operations.

Fixed Minimum Rent shall be as follows:

Space A

May 1, 2010 through April 30, 2011:	\$202,675.42 per annum;
May 1, 2011 through April 30, 2012:	\$209,083.12 per annum;
May 1, 2012 through April 30, 2013:	\$215,732.62 per annum;
May 1, 2013 through April 30, 2014:	\$234,425.10 per annum;
May 1, 2014 through April 30, 2015:	\$241,437.30 per annum;
May 1, 2015 through April 30, 2016:	\$248,691.30 per annum;
May 1, 2016 through April 30, 2017:	\$256,187.10 per annum;
May 1, 2017 through April 30, 2018:	\$263,924.70 per annum;
May 1, 2018 through April 30, 2019:	\$271,783.20 per annum; and
May 1, 2019 through April 30, 2020:	\$279,883.50 per annum.

Space B

May 1, 2010 through December 31, 2011: \$ 54,730.00 per annum, in equal monthly installments of \$4,560.83;

In the event the County does not elect to terminate its obligations with respect to Space B:

January 1, 2012 through April 30, 2012: \$ 82,314.84 per annum, in equal monthly installments of \$6,859.57;

May 1, 2012 through April 30, 2013: \$ 84,791.49 per annum;  
May 1, 2013 through April 30, 2014: \$ 87,313.17 per annum;  
May 1, 2014 through April 30, 2015: \$ 89,924.91 per annum;  
May 1, 2015 through April 30, 2016: \$ 92,626.71 per annum;  
May 1, 2016 through April 30, 2017: \$ 95,418.57 per annum;  
May 1, 2017 through April 30, 2018: \$ 98,300.49 per annum;  
May 1, 2018 through April 30, 2019: \$101,227.44 per annum; and  
May 1, 2019 through April 30, 2020: \$104,244.45 per annum.

The County shall not be obligated to pay the Landlord for the monthly installments of Fixed Minimum Rent for Space A for the months of May 2010, June 2010, May 2011, June 2011 and May 2012.

The County shall also pay for any increase in real estate taxes. With respect to Space A, the County shall be responsible to pay its proportionate share of any increase in taxes exceeding the amount of taxes paid during the tax year 2009/2010. With respect to Space B, commencing as of January 1, 2012, the County shall be responsible to pay during the term of the Lease subsequent to January 1, 2012 its proportionate share of any increase in taxes exceeding the amount of taxes paid during the tax year 2009/2010.

The County shall also pay for increases in the cost of operations (including expenses incurred in the operation, maintenance and repair of the Building) incurred by the Landlord. With respect to Space A, if the Landlord's costs of operating the Building are greater than the costs of operation for the year 2010, the County shall pay its proportionate share of the increase over the year 2010. Commencing January 1, 2012, with respect to Space B, if the Landlord's costs of operating the Building (including expenses incurred in the operation, maintenance and repair of the building) for any lease year or portion thereof subsequent to January 1, 2012 are greater than the costs of operation for the year 2010, the County shall pay its proportionate share of the increase over the year 2010. The County shall also be responsible to pay for all electricity consumed in the Premises.

Board of Acquisition and Contract  
Lease Agreement No. 11-903  
VIF 20 South Broadway, LLC  
Space at 20 South Broadway, Yonkers, New York  
Westchester County Department of Health District Office  
Page 3

The Landlord has agreed to relocate the County's teledata equipment from the fourth floor of the Building to a mutually agreeable location in Space A at its cost up to twenty thousand (\$20,000.00) dollars. Additionally, the Landlord has agreed to contribute seventy-five thousand (\$75,000.00) dollars toward alterations in the Premises as requested by the County.

The public purpose of this agreement is to provide for the continuation of the operation of the DOH District Office in this area of the County so that essential services can be provided to Westchester residents in this area. There are no energy or environment 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 and Procedures pursuant to Section 3(b) thereof.

Your approval of the attached resolution is respectfully requested.

DNM/ml  
Attachment

APPROVED BOARD OF ACQUISITION & CONTRACT - 3-10-2011 - JONARY VETIA SECRETARY

# RESOLUTION

## Lease Agreement No. 11-903

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 hereby authorized to enter into a lease agreement with VIF 20 South Broadway, LLC ("Landlord") for approximately 16,300 square feet of space, which includes Space A consisting of approximately 12,090 square feet and Space B consisting of 4,210 square feet (the "Premises"), located at 20 South Broadway, Yonkers, New York (the "Building") to be utilized by the Westchester County Department of Health ("DOH") as a District Office for a ten (10) year term commencing on May 1, 2010, with the County's option to terminate Space B upon sixty (60) days written notice at any time prior to October 31, 2011; and be it further

**RESOLVED**, that the Fixed Minimum Rent shall be as follows:

### Space A

May 1, 2010 through April 30, 2011:	\$202,675.42 per annum;
May 1, 2011 through April 30, 2012:	\$209,083.12 per annum;
May 1, 2012 through April 30, 2013:	\$215,732.62 per annum;
May 1, 2013 through April 30, 2014:	\$234,425.10 per annum;
May 1, 2014 through April 30, 2015:	\$241,437.30 per annum;
May 1, 2015 through April 30, 2016:	\$248,691.30 per annum;
May 1, 2016 through April 30, 2017:	\$256,187.10 per annum;
May 1, 2017 through April 30, 2018:	\$263,924.70 per annum;
May 1, 2018 through April 30, 2019:	\$271,783.20 per annum; and
May 1, 2019 through April 30, 2020:	\$279,883.50 per annum.

### Space B

May 1, 2010 through December 31, 2011: \$ 54,730.00 per annum, in equal monthly installments of \$4,560.83;

In the event the County does not elect to terminate its obligations with respect to Space B:

January 1, 2012 through April 30, 2012:	\$ 82,314.84 per annum, in equal monthly installments of \$6,859.57;
May 1, 2012 through April 30, 2013:	\$ 84,791.49 per annum;
May 1, 2013 through April 30, 2014:	\$ 87,313.17 per annum;
May 1, 2014 through April 30, 2015:	\$ 89,924.91 per annum;
May 1, 2015 through April 30, 2016:	\$ 92,626.71 per annum;
May 1, 2016 through April 30, 2017:	\$ 95,418.57 per annum;
May 1, 2017 through April 30, 2018:	\$ 98,300.49 per annum;
May 1, 2018 through April 30, 2019:	\$101,227.44 per annum; and
May 1, 2019 through April 30, 2020:	\$104,244.45 per annum.

# **RESOLUTION**

## **Lease Agreement No. 11-903**

The County shall not be obligated to pay the Landlord for the monthly installments of Fixed Minimum Rent for Space A for the months of May 2010, June 2010, May 2011, June 2011 and May 2012; and be it further

**RESOLVED**, that the County shall also pay as additional rent any increase in real estate taxes. With respect to Space A, the County shall be responsible to pay its proportionate share of any increase in taxes exceeding the amount of taxes paid during the tax year 2009/2010. With respect to Space B, commencing as of January 1, 2012, the County shall be responsible to pay during the term of the Lease subsequent to January 1, 2012 its proportionate share of any increase in taxes exceeding the amount of taxes paid during the tax year 2009/2010; and be it further

**RESOLVED**, that the County shall also pay for increases in the cost of operations (including expenses incurred in the operation, maintenance and repair of the Building) incurred by the Landlord. With respect to Space A, if the Landlord's costs of operating the Building are greater than the costs of operation for the year 2010, the County shall pay its proportionate share of the increase over the year 2010. Commencing January 1, 2012, with respect to Space B, if the Landlord's costs of operating the Building (including expenses incurred in the operation, maintenance and repair of the Building) for any lease year or portion thereof subsequent to January 1, 2012 are greater than the costs of operation for the year 2010, the County shall pay its proportionate share of the increase over the year 2010. The County shall also be responsible to pay for all electricity consumed in the Premises; and be it further

**RESOLVED**, that the Landlord shall relocate the County's teledata equipment from the fourth floor of the Building to a mutually agreeable location in Space A at its cost up to twenty thousand (\$20,000.00) dollars. Additionally, the Landlord shall contribute seventy-five thousand (\$75,000.00) dollars toward alterations in the Premises as requested by the County; and be it further

# RESOLUTION

## Lease Agreement No. 11-903

**RESOLVED**, that the County Executive or his duly authorized designee is hereby authorized to execute and deliver all instruments approved as to form and substance by the County Attorney as are 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
	101	46	3365	4320		\$136,632.11 (2010)
	101	46	3365	4320		\$224,861.12 (2011)
	101	46	3365	4320		\$272,633.41 (2012)
	101	46	3365	4320		\$308,683.31 (2013)
	101	46	3365	4320		\$322,378.15 (2014)
	101	46	3365	4320		\$332,049.49 (2015)
	101	46	3365	4320		\$342,010.97 (2016)
	101	46	3365	4320		\$352,340.68 (2017)
	101	46	3365	4320		\$362,945.57 (2018)
	101	46	3365	4320		\$373,731.28 (2019)
	101	46	3365	4320		\$125,781.64 (2020)

Budget Funding Year(s) 2010-2020 Start Date 05/01/2010 End Date 04/30/2020  
 (must match resolution)

Funding Source Tax Dollars 100% County  
 State Aid \_\_\_\_\_  
 Federal Aid \_\_\_\_\_  
\$3,154,047.73  
 (must match resolution) Other \_\_\_\_\_

APPROVED BOARD OF ACQUISITION & CONTRACTS - 3-10-2011 - JOMARY VIEIRA, SECRETARY