

27601

June 18, 2012

TO: 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: **Authorization to extend for an additional ten (10) year term a lease agreement (the "Lease") with Urstadt Biddle Properties, Inc. (the "Landlord") commencing January 1, 2011, for approximately twelve thousand five hundred fifty-eight (12,558) square feet of space (the "Premises") located at 22 Rockledge Avenue, Ossining, New York (the "Building") to be utilized by Westchester Community College ("WCC"). (Lease Agreement No. 00-950)**

Transmitted herewith for your consideration is a proposed Resolution authorizing the County of Westchester (the "County") to extend for an additional ten (10) year term a lease agreement (the "Lease") with Urstadt Biddle Properties, Inc. (the "Landlord") commencing January 1, 2011, for approximately twelve thousand five hundred fifty-eight (12,558) square feet of space (the "Premises") located at 22 Rockledge Avenue, Ossining, New York (the "Building") to be utilized by Westchester Community College ("WCC"). WCC has been at this location since 2001 under a ten (10) year lease agreement that terminated on December 31, 2010. WCC utilizes the space for health care education purposes and as a training extension site. By extending the lease at this site, WCC will be able to continue its efforts to provide educational opportunities to residents of the County who may be unable to attend classes at the Valhalla Campus. Negotiations have recently been completed with the Landlord for the terms of this extension agreement.

For the extended term, the County shall pay rent at the annual rate and in the monthly installments as set forth below:

01/01/11 – 12/31/15	\$178,951.50 Annually	\$14,912.63 Monthly
01/01/16 – 12/31/20	\$216,625.56 Annually	\$18,052.13 Monthly

The County will continue to pay all items of Additional Rent (as defined in the Lease) and all other charges set forth in the Lease, including, but not limited to, the County's share of common area maintenance charges, the County's share of real estate tax charges, and insurance. Additionally, the County will continue to be responsible for utilities and maintenance of the Premises. Under the lease extension agreement, the County shall be responsible for the maintenance service contracts on the three 5-10 ton HVAC units serving the Premises; provided, however, the Landlord shall be responsible for the replacement of the condenser, compressor and/or heat exchanger or the entire unit if the units require replacement not resulting from the negligence of the County or its contractors. Additionally, the County shall be responsible for the completion of work in the Premises consisting of repainting, carpeting, installation of a sink, floor tile repair and updated signage, totaling approximately \$31,044.80. Once the work is satisfactorily completed, the County shall receive from the Landlord a payment up to \$31,044.80. All other terms of the Lease shall remain the same.

Board of Acquisition and Contract
Lease Agreement Extension, Lease Agreement No. 00-950
Urstadt Biddle Properties, Inc.
Space at 22 Rockledge Avenue, Ossining, New York to be utilized by
Westchester Community College
Page 2

It should be noted that the Board of Legislators approved the lease extension on April 16, 2012 under Local Law Intro. No. 4943-2012.

This lease extension is in the public's best interests as it provides for the continuation of WCC's satellite campus in Ossining. There are no energy or environmental components associated with this lease extension.

This agreement will be monitored by the Department of Public Works and Transportation to insure that the lease responsibilities are met by the Landlord.

This lease agreement is exempt from the Westchester County Procurement Policy and Procedures pursuant to Section 3(b) therein.

Approval of the attached Resolution is respectfully requested.

JTP/MJM/DNM/dm
Attachment

APPROVED BOARD OF ACQUISITION & CONTRACT 07/05/2012 - JOHANNY 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 hereby authorized to extend for an additional ten (10) year term a lease agreement (the "Lease") with Urstadt Biddle Properties, Inc. (the "Landlord") commencing January 1, 2011, for approximately twelve thousand five hundred fifty-eight (12,558) square feet of space (the "Premises") located at 22 Rockledge Avenue, Ossining, New York (the "Building") to be utilized by Westchester Community College ("WCC"); and be it further

RESOLVED, that for the lease extension term, the County shall pay rent at the annual rate and in the monthly installments set forth below:

01/01/11 – 12/31/15	\$178,951.50 Annually	\$14,912.63 Monthly
01/01/16 – 12/31/20	\$216,625.56 Annually	\$18,052.13 Monthly

The County will continue to pay all items of Additional Rent (as defined in the Lease) and all other charges set forth in the Lease, including, but not limited to, the County's share of common area maintenance charges, the County's share of real estate tax charges, and insurance. Additionally, the County will continue to be responsible for utilities and maintenance of the Premises. Under the lease extension agreement, the County shall be responsible for the maintenance service contracts on the three 5-10 ton HVAC units serving the Premises; provided, however, the Landlord shall be responsible for the replacement of the condenser, compressor and/or heat exchanger or the entire unit if the units require replacement not resulting from the negligence of the County or its contractors. Additionally, the County shall be responsible for the completion of work in the Premises consisting of repainting, carpeting, installation of a sink, floor tile repair and updated signage, totaling approximately \$31,044.80. Once the work is satisfactorily completed, the County shall receive from the Landlord a payment up to \$31,044.80. All other terms of the Lease shall remain the same; and be it further

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 hereof.

Original Lease Agreement:	\$3,894,915.00	
First Amendment of Lease:	\$ 0.00	(Modifications to Calculation of Tenant's Interest Rate)
Second Amendment of Lease:	\$ 0.00	(Time Extension for Landlord's Costs for HVAC Unit)
This Third Amendment of Lease:	<u>\$2,008,930.00</u>	(Includes \$31,044.80 for Work Being Performed)
Total:	\$5,903,845.00	

Lease Agreement No. 00-950

Account to be Charged/credited	Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub Object	Trust Account	Dollars
	701	788211	Ossining Extension Site	4320		\$2,008,930.00

Budget Funding Year(s) 2011-2020 Start Date January 1, 2011 End Date December 31, 2020
 (must match resolution)

Funding Source	Tax Dollars	
	State Aid	\$ 964,286.00
	Federal Aid	
<u>\$2,008,930.00</u> (must match resolution)	Other	\$1,044,644.00