

28009

July 10, 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 enter into a lease agreement with WW Peekskill LLC c/o Alfred Weissman Real Estate, LLC, or the owner of record, for space located at 27-35 North Division Street, Peekskill, New York, for a five (5) year term commencing September 1, 2012. (Lease Agreement No. 12-914)**

Authority is hereby requested for the County of Westchester (the "County") to enter into a lease agreement (the "Lease") with WW Peekskill LLC c/o Alfred Weissman Real Estate, LLC (the "Landlord"), or the owner of record, with an office and place of business at 120 Old Post Road, Rye, New York, for space located at 27-35 North Division Street, Peekskill, New York (the "Leased Premises") for a five (5) year term commencing September 1, 2012.

As part of an ongoing effort to provide educational opportunities to residents of the County who are currently unable to attend classes at the Westchester Community College (the "College") Valhalla Campus, the County, acting by and through the College, has entered into lease agreements in Ossining, Yonkers, Mount Vernon and Peekskill in order to develop satellite campuses to better serve the community. In June 1994, the County and the Landlord entered into a ten (10) year lease for approximately 10,000 square feet of space on the first floor of the Leased Premises as one of the first of such satellite campus facilities. Thereafter, in January 2003, the parties modified the lease to increase the space from 10,000 square feet to 20,000 square feet, encompassing both the first and second floors of the Leased Premises, and to extend the term of the lease through August 31, 2012. As the Peekskill Campus has been quite successful over the past eighteen (18) years, the College desires to remain in Peekskill and to enter into a new five (5) year lease with the Landlord.

Under the terms of the proposed new Lease, the County will pay Basic Annual Rent in equal monthly installments as follows:

In Lease Year 1, the Basic Annual Rent shall be \$227,600.00. Lease Year 2 through Lease Year 5 will use \$227,600.00 as a base and will increase starting on the first day of Lease Year 2 (and on the first day of each succeeding Lease Year) in an amount equal to the increase in the Consumer Price Index, not to exceed five percent (5%) in any Lease Year. The "Consumer Price Index" shall mean the Consumer Price Index for Urban Wage Earners and Clerical Workers published by the Bureau of Labor Statistics of the United States Department of Labor, New York, New York – Northern NJ area, all items (1982-1984=100), or any successor index thereto, appropriately adjusted. The September 2011 index shall be used in calculating the CPI increases.

Board of Acquisition and Contract
Lease Agreement No. 12-914
WW Peekskill LLC c/o Alfred Weissman Real Estate, LLC
Space at 27-35 North Division Street, Peekskill, New York
Westchester Community College Satellite Campus
Page 2

The County will pay for all required services for the Leased Premises including, but not limited to, water, oil, gas, heat, sewer, telephone, electric, security and janitorial and any other required utility services. The County will also be responsible to maintain and repair the Leased Premises, while the Landlord will remain responsible for repairs to the structural portion of the Leased Premises, including the roof. The County will be responsible to reimburse the Landlord for maintenance and service agreements for the following: HVAC maintenance; elevator maintenance; pest control; and backflow testing. The County will also pay as additional rent one hundred percent (100%) of any increase over base real estate taxes. The base tax year will be 2002-2003.

The Landlord will be responsible to make the following renovations to the Leased Premises on or before the commencement date of the Lease: replace the front and rear entrance doors to the Leased Premises; and replace the front window plate glass with safety glass.

This Lease is in the public's best interest as it provides for the continuation of the College's satellite campus in Peekskill. There are no energy or environmental components associated with this lease agreement.

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.

Your approval of the attached Resolution is respectfully requested.

JTP/MJM/DNM/dm
Attachment

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 enter into a five (5) year lease agreement (the "Lease") with WW Peekskill LLC c/o Alfred Weissman Real Estate, LLC (the "Landlord"), or the owner of record, with an office and place of business at 120 Old Post Road, Rye, New York, for space located at 27-35 North Division Street, Peekskill, New York (the "Leased Premises") commencing September 1, 2012, to be occupied by the Westchester Community College as a satellite campus; and be it further

RESOLVED, that during the five (5) year term of the Lease, the County will pay Basic Annual Rent in equal monthly installments as follows:

In Lease Year 1, the Basic Annual Rent shall be \$227,600.00. Lease Year 2 through Lease Year 5 will use \$227,600.00 as a base and will increase starting on the first day of Lease Year 2 (and on the first day of each succeeding Lease Year) in an amount equal to the increase in the Consumer Price Index, not to exceed five percent (5%) in any Lease Year. The "Consumer Price Index" shall mean the Consumer Price Index for Urban Wage Earners and Clerical Workers published by the Bureau of Labor Statistics of the United States Department of Labor, New York, New York – Northern NJ area, all items (1982-1984=100), or any successor index thereto, appropriately adjusted. The September 2011 index shall be used in calculating the CPI increases; and be it further

RESOLVED, that the County will pay as additional rent one hundred percent (100%) of any increase over base real estate taxes, the base tax year will be 2002-2003, and the County will be responsible for all services including, but not limited to, water, oil, gas, heat, sewer, telephone, electric, security and janitorial services; and be it further

RESOLVED, that the County will be responsible to reimburse the Landlord for maintenance and service agreements for the following: HVAC maintenance; elevator maintenance; pest control; and backflow testing. Additionally, the County will also be responsible to maintain and repair the Leased Premises, while the Landlord will remain responsible for repairs to the structural portion of the Leased Premises, including the roof; and be it further

RESOLVED, that the Landlord will be responsible to make the following renovations to the Leased Premises on or before the commencement date of the Lease: replace the front and rear entrance doors to the Leased Premises; and replace the front window plate glass with safety glass; and be it further

RESOLVED, that this Lease is subject to County appropriations; and be it further

RESOLUTION

RESOLVED, that the County Executive or his authorized designee is authorized and empowered to execute and deliver all instruments and take all actions necessary or appropriate to effectuate the purposes hereof.

Lease Agreement No. 12-914

Account to be Charged/credited	Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub Object	Trust Account	Dollars
	701	78	\$191	4320		\$1,257,634.00

Budget Funding Year(s) 2012-2017 Start Date September 1, 2012 End Date August 31, 2017
 (must match resolution)

Funding Source	Tax Dollars	
	State Aid	\$616,241.00
	Federal Aid	
<u>\$1,257,634.00</u> (must match resolution)	Other	\$641,393.00 (tuition)

APPROVED BOARD OF ACQUISITION & CONTRACT - 08/02/2012 - JOMARY VERA, SECRETARY