

59886

November 22, 2017

To: The Honorable Board of Acquisition and Contract

From: Vincent F. Kopicki, P.E.
Commissioner of Public Works and Transportation

Adam Rodriguez
Director of Real Estate

Re: **Authority to enter into a lease agreement with 130 Modern Commercial, LLC for a term commencing on February 1, 2018 and expiring on January 31, 2023 for 9,327 square feet of space at 130 Mount Vernon Avenue, Mount Vernon, New York. (Lease Agreement No. 18-900)**

Authority is requested to enter into a lease agreement with 130 Modern Commercial, LLC (the “Landlord”) for a term commencing on February 1, 2018 and expiring on January 31, 2023 for 9,327 square feet of space at 130 Mount Vernon Avenue, Mount Vernon, New York (the “Modern”). This proposed lease will lead to the reorganization of the County’s One Stop Employment Centers. The County’s new One Stop Employment Center would be located in the two-floor commercial space at the Modern. The new One Stop Employment Center will be a combination of the current Mount Vernon One Stop and the White Plains One Stop. No services will be eliminated at the White Plains One Stop. The Mount Vernon One Stop, which is currently in the basement of the Mount Vernon District Office, will be vacated completely, allowing the Probation Department to increase its presence in Mount Vernon, in anticipation of the “raise-the-age” legislation.

In terms of location, the Modern is a very short walk to the train station and there are a number of bus lines in the vicinity. Additionally, because the location straddles the border with Yonkers, this move will allow the County to serve the Yonkers population as well. By relocating portions of the White Plains office and the entire Mount Vernon office, and co-locating DSS Employment Staff there, the County will have a major One Stop Employment Center convenient to where 60% of the potential client base resides –Yonkers and Mount Vernon.

This is a full gross lease. The County shall pay the Landlord an annual fixed rent of \$18.00 per square foot in the first year, with \$.50 increases per square foot per year, at rental rates as follows:

Period	Annual Fixed Rent	Monthly Fixed Rent
Delivery Date through January 31, 2019	\$167,886.00	\$13,990.50
February 1, 2019 through January 31, 2020	\$172,554.00	\$14,379.50
February 1, 2020 through January 31, 2021	\$177,213.00	\$14,767.75
February 1, 2021 through January 31, 2022	\$181,878.00	\$15,156.50
February 1, 2022 through January 31, 2023	\$186,540.00	\$15,545.00

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The County shall also pay the Landlord additional rent in the sum of \$27,981.00 per annum (\$3.00 SF), payable in monthly installments for effectively all operating expenses associated with the building, including parking, snow removal, janitorial services, pest control, maintenance, a security system, and utilities (except telephone and internet broadband). Pursuant to the lease, the Landlord will also: (1) provide the County with up to \$50,000.00 of furniture; (2) pay for the County's moving expenses; (3) give the County a rent abatement up to \$50,000.00 for the County's cost to purchase IT related equipment for the space, including a server and other equipment as specified and directed by the County; (4) pay for the build-out of the space; and (5) provide substantial amounts of parking for staff and the public (approximately 40 spots). Any furniture purchases over \$50,000.00 will require separate approval of the County. If the cost of the furniture exceeds \$50,000.00, the excess cost will be billed back to the County as Additional Rent in equal monthly amounts over the course of the first twelve (12) months of this Lease. The furniture will not become County property, but the IT equipment will remain County property.

The goal and objective of this lease is to provide space for the County's One Stop Employment Centers. It is in the best interests of the County to enter into this Lease Agreement as it serves a public purpose by benefiting the health, safety and welfare of the residents of Westchester County utilizing the services of the Center. There are no energy or environmental components associated with this lease. This lease will be monitored by the Department of Social Services to insure that the lease responsibilities are met by the Landlord. This lease is exempt from the County's Procurement Policy pursuant to Section 3(b) therein.

Accordingly, attached for your consideration is a resolution which, if approved, would authorize the County to enter into a new five (5) year lease with 130 Modern Commercial, LLC for space at 130 Mount Vernon Avenue in Mount Vernon, New York. Approval of the attached resolution is recommended.

VFK/AR/dv

RESOLUTION

Lease Agreement No. 18-900

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 is authorized to enter into a lease agreement with 130 Modern Commercial, LLC (“Landlord”) for 9,327 square feet of space at 130 Mount Vernon Avenue in Mount Vernon, New York, for a term commencing on February 1, 2018 and expiring on January 31, 2023, for a new One Stop Employment Center, at rental rates as follows:

Period	Annual Fixed Rent	Monthly Fixed Rent
Delivery Date through January 31, 2019	\$167,886.00	\$13,990.50
February 1, 2019 through January 31, 2020	\$172,554.00	\$14,379.50
February 1, 2020 through January 31, 2021	\$177,213.00	\$14,767.75
February 1, 2021 through January 31, 2022	\$181,878.00	\$15,156.50
February 1, 2022 through January 31, 2023	\$186,540.00	\$15,545.00

and be it further

RESOLVED, that the County shall also pay the Landlord additional rent in the sum of \$27,981.00 per annum (\$3.00 SF), payable in monthly installments, for effectively all operating expenses associated with the building, including parking, snow removal, janitorial services, pest control, maintenance, a security system, and utilities (except telephone and internet broadband); and be it further

RESOLVED, that pursuant to the lease, the Landlord will also: (1) provide the County with up to \$50,000.00 of furniture, with any excess costs being billed as Additional Rent; (2) pay for the County’s moving expenses; (3) give the County a rent abatement up to \$50,000.00 for the County’s cost to purchase IT equipment for the space, including an IT related server and other equipment as specified and directed by the County; (4) pay for the build-out of the space; and (5) provide substantial amounts of parking for staff and the public (approximately 40 spots). Any furniture purchases over \$50,000.00 will require separate approval of the County. If the cost of the furniture exceeds \$50,000.00, the excess cost will be billed back to the County as Additional Rent in equal monthly amounts over the course of the first twelve (12) months of this Lease. The furniture will not become County property, but the IT equipment will remain County property; and be it further

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

RESOLUTION

RESOLVED, that the County Executive or his duly authorized designee, is hereby authorized and empowered to execute any and all documents necessary and appropriate to effectuate the purposes hereof.

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Account to be Charged/Credited	Fund	Dept.	Major Program, Program & Phase Or Unit	Object/ Sub Object	Trust Account	Dollars
	101	22	4000	4380		\$ 89,772.37 (2018)
	275	22	9119	5280	T-911	\$ 89,772.38 (2018)
	101	46	3300	4320		\$200,146.00 (2019)
	101	46	3300	4320		\$204,805.75 (2020)
	101	46	3300	4320		\$209,470.25 (2021)
	101	46	3300	4320		\$214,132.50 (2022)
	101	46	3300	4320		\$ 17,876.75 (2023)

Budget Funding Year(s) 2018-2023 Start Date 02/01/18 End Date 01/31/23
 (must match resolution)

Funding Source: Tax Dollars \$936,203.62 County

State Aid _____

\$1,025,976.00 Federal Aid _____
 (must match resolution)

Other \$89,772.38 WIA

APPROVED BOARD OF ACCOUNTS & CONTRACTS - 12/07/2017 - LISA MRIJAJ, SECRETARY