

66612

DATE: December 11, 2018

TO: Board of Acquisition and Contract

FROM: Hugh J. Greechan, Jr., P.E.
Commissioner of Public Works and Transportation

Gary A. Friedman, Esq.
Director of Real Estate

RE: Authority for the County of Westchester to amend a lease agreement with Spruce Spires Associates, LP for office space at 420 North Avenue in New Rochelle, New York, to extend the term of the lease by fifteen (15) months, to a new expiration date of June 30, 2019, with a provision for a hold-over tenancy thereafter.
(Lease Agreement No. 17-901)

By a resolution approved on February 16, 2017 (the "Previous Resolution"), your Honorable Board authorized the County of Westchester (the "County") to enter into a lease agreement (the "New Lease") with Spruce Spires Associates, LP ("Spruce Spires"), pursuant to which the County was to continue leasing from Spruce Spires office space at 420 North Avenue in New Rochelle (the "Building"), consisting of approximately 2,627 square feet on the second floor of the Building and approximately 11,325 square feet on the third floor of the Building (the "Leased Premises"), for the period from January 1, 2017 through March 31, 2018, and otherwise on the terms specified in the New Lease, including the applicable terms of the previous lease between the County and Spruce Spires for the Leased Premises, to which the New Lease would refer, and both of which were attached to the Previous Resolution and made a part thereof. The New Lease was subsequently executed.

The County continues to require the use of the Leased Premises for the Westchester County Family Court and such departments, commissions, boards, or offices of the County government as the County may deem appropriate. Therefore, the County respectfully requests authority from your Honorable Board to amend the New Lease by, a.) extending its term by fifteen (15) months, to a new expiration date of June 30, 2019, and b.) modifying the Basic Rent (as defined therein) such that it shall be payable at, i.) a monthly rate of \$32,522.11 for the period from April 1, 2018 through March 31, 2019, and ii.) a monthly rate of \$35,232.29 for the period from April 1, 2019 through June 30, 2019 (the "First Amendment").

Under the First Amendment, should the County continue to occupy the Leased Premises after June 30, 2019 as a hold-over tenant, the County will be required to pay, for use and occupancy of such holding over, for each calendar month, or proportionate part thereof, Basic Rent at a monthly rate of \$70,464.58.

Board of Acquisition and Contract
First Amendment to Lease Agreement No. 17-901
Spruce Spires Associates, LP
Space at 420 North Avenue, New Rochelle, New York
Page 2

Under the First Amendment, for the period from April 1, 2018 through the end of any hold-over tenancy, the County will continue to pay Additional Rent as defined in, and calculated pursuant to, the terms of the New Lease.

Except as specifically described above, all terms and conditions of the New Lease shall remain in full force and effect.

The proposed First Amendment will serve a public purpose by continuing to provide office space for the Westchester County Family Court and such departments, commissions, boards, or offices of the County government as the County may deem appropriate.

The goal and objective of the proposed First Amendment is to continue to provide office space for the Westchester County Family Court and such departments, commissions, boards, or offices of the County government as the County may deem appropriate.

The goal and objective of the proposed First Amendment is in the best interests of the County in terms of public safety, health, and welfare as providing office space for the Westchester County Family Court and such departments, commissions, boards, or offices of the County government as the County may deem appropriate, will facilitate the County operations that, in various different ways, advance public safety, health, and welfare.

The goal and objective of the proposed First Amendment will be tracked and monitored by the staff of the Department of Public Works and Transportation and the Director of Real Estate.

The proposed Lease is exempt from the Westchester County Procurement Policy pursuant to Section 3(b) thereof.

I respectfully recommend the adoption of the attached resolution.

HJG/GF/bdm/nn

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 amend a lease agreement (the "New Lease") with Spruce Spires Associates, LP ("Spruce Spires"), pursuant to which the County was to lease from Spruce Spires office space at 420 North Avenue in New Rochelle (the "Building"), consisting of approximately 2,627 square feet on the second floor of the Building and approximately 11,325 square feet on the third floor of the Building (the "Leased Premises"), for the period from January 1, 2017 through March 31, 2018, and otherwise on the terms specified in the New Lease, including the applicable terms of the previous lease between the County and Spruce Spires for the Leased Premises, to which the New Lease would refer, by, a.) extending its term by fifteen (15) months, to a new expiration date of June 30, 2019, and b.) modifying the Basic Rent (as defined in the New Lease) such that it shall be payable at, i.) a monthly rate of \$32,522.11 for the period from April 1, 2018 through March 31, 2019, and ii.) a monthly rate of \$35,232.29 for the period from April 1, 2019 through June 30, 2019 (the "First Amendment"); and be it further

RESOLVED, that, under the First Amendment, should the County continue to occupy the Leased Premises after June 30, 2019 as a hold-over tenant, the County will be required to pay, for use and occupancy of such holding over, for each calendar month, or proportionate part thereof, Basic Rent at a monthly rate of \$70,464.58; and be it further

RESOLVED, that, under the First Amendment, for the period from April 1, 2018 through the end of any hold-over tenancy, the County will continue to pay Additional Rent as defined in, and calculated pursuant to, the terms of the New Lease; and be it further

RESOLVED, that except as specifically hereby authorized to be amended, all terms and conditions of the New Lease shall remain in full force and effect; and be it further

RESOLVED, that the County Executive or his duly authorized designee is empowered to execute all documents and take all actions necessary to effect the purpose of this resolution.

Lease Agreement No. 17-901

Account to be Charged/Credited			Major Program, Program & Phase Or Unit	Object/ Sub Object	Trust Account	Dollars
	Fund	Dept.				
	101	46	3325	4320		\$292,698.99 (2018)
	101	46	3325	4320		\$203,263.20 (2019)

Budget Funding Year(s): 2018-2019 Start Date 04/01/2018 End Date 06/30/2019
(must match resolution)

Funding Source: Tax Dollars 100% County

State Aid _____

\$495,962.19 Federal Aid _____
(must match resolution)

Other _____