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March 24, 2020

TO: Honorable Board of Acquisition and Contract

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

SUBJECT: Authority to consent to the assignment of a lease agreement with Citigroup Corporate Holdings Inc. for Hangar E-2 at Westchester County Airport to Citigroup Inc. (Lease Agreement No. 11-944)

On December 20, 2001, your Honorable Board authorized the County of Westchester (“County”) to enter into a lease agreement with Citiflight Inc. d/b/a Citigroup Corporate Aviation (“Tenant”) for a term of ten years commencing June 1, 2001, with the tenant having the option for two ten-year renewals, for the use of Hangar E-2 for the storage and maintenance of aircraft. The tenant later changed its name to Citigroup Corporate Holdings Inc. The lease agreement prohibits assignment of the lease without the written approval of the County.

The Tenant has requested that the County consent to the assignment of the lease to its parent corporation Citigroup Inc. This request is being made in order for the corporation to comply with applicable banking regulations governing which entities may hold certain assets, including leases. Citigroup Inc. will assume all of the Tenant’s obligations under the lease.

The Board of Legislators approved Local Law 2-2020 on March 9, 2020, authorizing the County to consent to this assignment.

This action is in the best interest of the County as it will provide continued rental revenue for the Airport. Citigroup Inc.’s compliance with the lease provisions will be monitored by Airport staff.

I recommend approval of the annexed Resolution.

HJG/DLV/dv

