

93486

DATE: May 24, 2022

TO: The Honorable Board of Acquisition and Contract

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

Christopher D. Steers
Director of Countywide Administrative Services

RE: **Resolution Authorizing the County of Westchester to enter into a five-year lease agreement with GHP 145 Huguenot Delaware, LLC for space at 145 Huguenot Street in the City of New Rochelle commencing November 1, 2022. (Agreement No. 22-919)**

Since 1997, the County of Westchester (“County” or “Tenant”) has leased space at 145 Huguenot Street, New Rochelle, New York (“Building”) for use by the Department of Health (“DOH”). The current lease is set to expire on October 31, 2022.

The attached resolution authorizes the County to enter into a new five (5) year lease with GHP 145 Huguenot Delaware, LLC (the “Landlord”) commencing November 1, 2022 for approximately 28,309 square feet of space located on the seventh floor of the Building. The base rent and parking costs for the lease commencing November 1, 2022 and terminating October 31, 2027 are as follows:

| Lease Year | Annual Fixed Rent, exclusive of electric | Monthly Fixed Rent, exclusive of electric | Per Square foot Fixed Rent |
|---|--|---|----------------------------|
| November 1, 2022 through October 31, 2023 | \$700,647.75 | \$58,387.31 | \$24.75 |
| November 1, 2023 through October 31, 2024 | \$721,667.18 | \$60,138.93 | \$25.49 |
| November 1, 2024 through October 31, 2025 | \$743,317.20 | \$61,943.10 | \$26.26 |
| END OF INITIAL TERM | | | |
| November 1, 2025 through October 31, 2026 | \$765,616.71 | \$63,801.39 | \$27.04 |
| November 1, 2026 through October 31, 2027 | \$788,585.22 | \$65,715.43 | \$27.86 |

The County would have the option to terminate the Lease as of October 31, 2023 (the "Termination Date") with respect to the entire Premises, provided the County notify the Landlord of intention to terminate this Lease between August 1, 2024 and October 31, 2024.

Under the lease, the County will have 140 permits for parking spaces (17 of which will be provided by the Landlord on-site at no charge). Off-site parking will be in the New Roc Parking Garage and the County will be charged a monthly rate of \$51.00 for each permit, which reflects a ten (10) percent discount off the current market rate.

The County shall be responsible for its *pro rata* share of increases in operating costs and taxes over the base year of 2017, which represents a continuation of the term specified in the prior lease. Additionally, the County will be responsible for electricity costs based on a separate electric meter.

Furthermore, the terms of the proposed Lease require the County to maintain insurance, indemnify and hold the Landlord harmless as follows:

Insurance and Indemnification. In connection with the use by the Tenant of the Premises, the County agrees to self-insure all liability for bodily injury and death and/or property damage under the County's self-insurance program in accordance with Local Law 6-1986 and Chapter 295 of the Laws of Westchester County. Such self-insurance shall insure against all costs, damages, expenses and/or any payment of any and all claims, accidents and injuries, and all damages whatsoever caused to any person or any property in or about the Premises. ... Further, if the County changes from a self-insurance program to a traditional insurance program then the County shall forward certificates of General Liability coverage naming the Licensor as an additional insured.

In addition to, and not in limitation of, the insurance provisions above, the parties agree:

a) That except for the amount, if any, of damage contributed to, caused by or resulting from the negligence of Owner, the Tenant shall indemnify and hold harmless the Owner, its officers, employees and agents from and against any and all liability, damage, claims, demands, costs, judgments, fees, reasonable attorney's fees or loss arising directly or indirectly from any damage to any person or property occurring in, on or about the Premises arising from the wrongful acts or negligence of the Tenant, its employees, agents, contractors or invitees; and

b) That except for the amount, if any, of damage contributed to, caused by or resulting from the negligence of Tenant, the Owner shall indemnify and hold harmless the Tenant, its elected officials, officers, employees and agents from and against any and all liability, damage, claims, demands, costs, judgments, fees, reasonable attorney's fees or loss arising directly or indirectly from any damage to any person or property occurring in, on or about the Premises arising from the wrongful acts or negligence of the Owner, its employees, agents, contractors or invitees; and

c) Owner also agrees to indemnify and hold harmless Tenant, its elected officials, officers, employees and agents in the event that any legal action is brought against the Owner arising out of work performed by a contractor hired by or an employee or agent of Owner, to alter, improve, repair, maintain or clean the Premises and public areas, unless the action is for payment for work which Tenant is responsible to pay;

d) Similarly, Tenant agrees to indemnify and hold harmless Owner, its agents and employees, in the event that any legal action is brought against the Tenant arising out of work performed by a contractor hired by or an employee or agent of Tenant, to alter, improve, repair, maintain or clean the Premises and public areas, unless the action is for payment for work which Owner is responsible to pay.

This lease is in the public's best interest as it continues to provide the DOH with office space necessary to offer health services to residents of the County. There are no energy or environmental components associated with this agreement.

This lease 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.

HJG/CDS/mlg
Attachment

APPROVED BOARD OF ACQUISITION & CONTRACT 06/16/2022 RAYMOND SULKY, SECRETARY

RESOLUTION

Upon a communication from the Commissioner of Public Works and Transportation and the Director of Countywide Administrative Services, be it hereby

RESOLVED, that the County of Westchester is hereby authorized to enter into a five-year lease agreement commencing November 1, 2022 with GHP 145 Huguenot Delaware, LLC (“GHP”), for approximately 28,309 square feet of space on the seventh floor of the building located at 145 Huguenot Street in the City of New Rochelle, with basic rental fees as follows:

| Lease Year | Annual Fixed Rent, exclusive of electric | Monthly Fixed Rent, exclusive of electric | Per Square foot Fixed Rent |
|---|--|---|----------------------------|
| November 1, 2022 through October 31, 2023 | \$700,647.75 | \$58,387.31 | \$24.75 |
| November 1, 2023 through October 31, 2024 | \$721,667.18 | \$60,138.93 | \$25.49 |
| November 1, 2024 through October 31, 2025 | \$743,317.20 | \$61,943.10 | \$26.26 |
| END OF INITIAL TERM | | | |
| November 1, 2025 through October 31, 2026 | \$765,616.71 | \$63,801.39 | \$27.04 |
| November 1, 2026 through October 31, 2027 | \$788,585.22 | \$65,715.43 | \$27.86 |

with the County having the option to terminate the Lease as of October 31, 2025 with respect to the entire Premises, by the County providing notice of its intent to terminate to the Landlord between August 1, 2024 and October 31, 2024; and be it further

RESOLVED, that the County shall receive the use of 140 permits for parking spaces (17 of which will be provided by GHP on-site at no charge); and be it further

RESOLVED, that the Lease requires the County to provide insurance and indemnification to GHP; and be it further

RESOLVED, the base operating year shall be 2017 and the County will be responsible for its *pro rata* share of increases in operating costs and taxes over the base operating year 2017; and be it further

RESOLUTION

RESOLVED, that the County shall be responsible for its electricity costs based on a separate electric meter; and be it further

RESOLVED, that this lease agreement is executory only to the extent of monies appropriated and available for the purposes of this lease; and be it further

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 purpose hereof.

Agreement No. 22-919

| Account to be Charged/Credited | Fund | Dept. | Major Program/ Program & Phase Or Unit | Object/ Sub Object | Trust Account | Dollars |
|--------------------------------|------|-------|--|--------------------|---------------|---------------------|
| | 101 | 46 | 3300/3380 | 4320 | | \$116,774.62 (2022) |
| | 101 | 46 | 3300/3380 | 4320 | | \$704,151.16 (2023) |
| | 101 | 46 | 3300/3380 | 4320 | | \$725,275.50 (2024) |
| | 101 | 46 | 3300/3380 | 4320 | | \$747,033.78 (2025) |
| | 101 | 46 | 3300/3380 | 4320 | | \$769,444.76 (2026) |
| | 101 | 46 | 3300/3380 | 4320 | | \$657,154.30 (2027) |

Budget Funding Year(s) 2022-2027 Start Date 11/01/22 End Date 10/31/27
 (must match resolution)

Funding Source: Tax Dollars 100% County

State Aid _____

\$3,719,834.12 Federal Aid _____
 (must match resolution)

Other _____

APPROVED BOARD OF ACQUISITION & CONTRACTS 06/16/2022 - RAYMOND SCULKY, SECRETARY