

George Latimer County Executive

July 31, 2023

Westchester County Board of Legislators 800 Michaelian Office Building 148 Martine Avenue White Plains, New York 10601

Dear Honorable Members of the Board of Legislators:

Transmitted herewith for your review and approval is an Act which, if adopted, would authorize the County of Westchester (the "County"), acting on behalf of Westchester Community College ("WCC"), to exercise its first option under a lease agreement with Enclave On 5th Commercial, LLC (the "Landlord"), pursuant to which the Landlord leased to the County approximately twenty-two thousand (22,000) square feet of space in the building located at 15 South 5th Avenue in Mount Vernon, as well as approximately 31 parking spaces, (the "Leased Premises") to be used and occupied by WCC for the purpose of operating a satellite campus (the "Lease Agreement").

Your Honorable Board authorized the County to enter into the Lease Agreement by Local Law 12-2012 (the "Local Law"), which was adopted by your Honorable Board on November 13, 2012 and approved by the County Executive on November 21, 2012. The Lease Agreement was subsequently executed. Under the Lease Agreement, the original lessor was 15 South 5th Ave LLC ("15 South"). However, 15 South, pursuant to its rights under the Lease Agreement, assigned the Lease Agreement to the Landlord upon 15 South's sale of the Leased Premises to the Landlord.

Based upon the Local Law, the Lease Agreement had an initial term of ten (10) years, which was to commence upon the completion of certain renovations agreed upon by the County and the Landlord. Accordingly, the initial term ultimately commenced on January 1, 2014, and will, therefore, expire on December 31, 2023.

Based upon the Local Law, the Lease Agreement specifies that the County has two (2) options, each of which would extend the term of the Lease Agreement by an additional five (5) years, on specified cost terms.

WCC now desires that the County exercise the first option under the Lease Agreement (the "First Option") and thereby extend its term by five (5) years, to a new expiration date of December 31, 2028.

Based upon the Local Law, the Lease Agreement provides that the 'fixed rent' would be \$20.29 per rentable square foot per annum for the term of the First Option. Based upon the Local Law, the Lease Agreement provides that the rentable square footage of the Leased Premises is 22,000 feet. Accordingly, for each year of the term of the First Option, the 'fixed rent' would be \$446,380.00, with said rent being a total of \$2,231,900.00 for the full five (5) year period of the First Option.

Under the Lease Agreement, during the term of the First Option, the County will also: (a.) be responsible for all costs, expenses, and fees relating to the maintenance, repair, and replacement of the non-structural elements (e.g., painting, carpeting, etc.) of the Leased Premises, with respect to which the Landlord will perform the work and bill the costs, expenses, and fees thereof to the County as additional rent; (b.) since the premises are now subject to a condominium regime in which the Leased Premises are one (1) condominium unit, the County shall be responsible for payment of one hundred percent (100%) of the taxes levied on the condominium unit comprising the Leased Premises, but which obligation of the County was capped at \$100,000.00 in the first year of the initial term, and which cap has, for each subsequent year of the lease term, increased by the same percentage as the aggregate real estate taxes for the one (1) condominium unit; and (c.) pay for all water, electrical current, and gas for heating used in connection with the Leased Premises.

The Planning Department has advised that, based on its review, authorizing the County to exercise its First Option under the Lease Agreement may be classified as a "Type II" action pursuant to the State Environmental Quality Review Act ("SEQRA") and its implementing regulations, 6 NYCRR Part 617. Therefore, no environmental review is required. As you know, your Honorable Board may use such expert advice to reach its own conclusion.

Due to the First Option having been provided for by the Local Law authorizing the Lease Agreement, your Honorable Board may now, by act, authorize the County to exercise that option. An affirmative vote of a majority of the members of your Honorable Board is required in order to adopt the attached proposed Act.

As WCC desires that the County exercise the First Option under the Lease Agreement, I recommend and urge your Honorable Board to adopt the proposed Act.

Sincerely,

George Latimer
County Executive

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GL/BSM/bdm/nn Attachments

HONORABLE BOARD OF LEGISLATORS THE COUNTY OF WESTCHESTER, NEW YORK

Your Committee is in receipt of a communication from the County Executive requesting that your Honorable Board authorize the County of Westchester (the "County"), acting on behalf of Westchester Community College ("WCC"), to exercise its first option under a lease agreement with Enclave On 5th Commercial, LLC (the "Landlord"), pursuant to which the Landlord leased to the County approximately twenty-two thousand (22,000) square feet of space in the building located at 15 South 5th Avenue in Mount Vernon, as well as approximately 31 parking spaces, (the "Leased Premises") to be used and occupied by WCC for the purpose of operating a satellite campus (the "Lease Agreement").

Your Committee has been advised that your Honorable Board authorized the County to enter into the Lease Agreement by Local Law 12-2012 (the "Local Law"), which was adopted by your Honorable Board on November 13, 2012 and approved by the County Executive on November 21, 2012. Your Committee has been advised that the Lease Agreement was subsequently executed. Your Committee has been advised that, under the Lease Agreement, the original lessor was 15 South 5th Ave LLC ("15 South"). However, your Committee has been advised that 15 South, pursuant to its rights under the Lease Agreement, assigned the Lease Agreement to the Landlord upon 15 South's sale of the Leased Premises to the Landlord.

Your Committee has been advised that, based upon the Local Law, the Lease Agreement had an initial term of ten (10) years, which was to commence upon the completion of certain renovations agreed upon by the County and the Landlord. Your Committee has been advised

that, accordingly, the initial term ultimately commenced on January 1, 2014, and will, therefore, expire on December 31, 2023.

Your Committee has been advised that, based upon the Local Law, the Lease Agreement specifies that the County has two (2) options, each of which would extend the term of the Lease Agreement by an additional five (5) years, on specified cost terms.

Your Committee has been advised that WCC now desires that the County exercise the first option under the Lease Agreement (the "First Option") and thereby extend its term by five (5) years, to a new expiration date of December 31, 2028.

Your Committee has been advised that, based upon the Local Law, the Lease Agreement provides that the 'fixed rent' would be \$20.29 per rentable square foot per annum for the term of the First Option. Your Committee has been advised that, based upon the Local Law, the Lease Agreement provides that the rentable square footage of the Leased Premises is 22,000 feet. Your Committee has been advised that, accordingly, for each year of the term of the First Option, the 'fixed rent' would be \$446,380.00, with said rent being a total of \$2,231,900.00 for the full five (5) year period of the First Option.

Your Committee has been advised that, under the Lease Agreement, during the term of the First Option, the County will also: (a.) be responsible for all costs, expenses, and fees relating to the maintenance, repair, and replacement of the non-structural elements (e.g., painting, carpeting, etc.) of the Leased Premises, with respect to which the Landlord will perform the work

and bill the costs, expenses, and fees thereof to the County as additional rent; (b.) since the premises are now subject to a condominium regime in which the Leased Premises are one (1) condominium unit, the County shall be responsible for payment of one hundred percent (100%) of the taxes levied on the condominium unit comprising the Leased Premises, but which obligation of the County was capped at \$100,000.00 in the first year of the initial term, and which cap has, for each subsequent year of the lease term, increased by the same percentage as the aggregate real estate taxes for the one (1) condominium unit; and (c.) pay for all water, electrical current, and gas for heating used in connection with the Leased Premises.

The Planning Department has advised that, based on its review, authorizing the County to exercise its First Option under the Lease Agreement may be classified as a "Type II" action pursuant to the State Environmental Quality Review Act and its implementing regulations, 6 NYCRR Part 617 ("SEQRA"). Therefore, no environmental review is required. Your Committee has reviewed the attached SEQRA documentation prepared by the Planning Department and concurs with this recommendation.

Your Committee has been advised that, due to the First Option having been provided for by the Local Law authorizing the Lease Agreement, your Honorable Board may now, by act, authorize the County to exercise that option. Your Committee has been advised that an affirmative vote of a majority of the members of your Honorable Board is required in order to adopt the attached proposed Act.

	After due consideration, your Committee recommends the adoption of the proposed			
Date:				
	White Plains, New York			

COMMITTEE ON

FISCAL IMPACT STATEMENT

SUBJECT:	WCC Mt. Vernon Lease	NO FISCAL IMPACT PROJECTED					
	OPERATING BUDGET I To Be Completed by Submitting Department						
	SECTION A - FUN	D					
X GENERAL FUND	AIRPORT FUND	SPECIAL DISTRICTS FUND					
SECTION B - EXPENSES AND REVENUES							
Total Current Year Ex	pense \$ -						
Total Current Year Re	evenue \$ -						
Source of Funds (chee	ck one): Current Appropriations	Transfer of Existing Appropriations					
Additional Appro	priations	Other (explain)					
Identify Accounts:	701-8221-5432000 (Rental & Taxes)						
For rent plus Additional Rent consisting primarily of pro rata share of taxes							
Potential Related Op	erating Budget Expenses:	Annual Amount \$446,380					
Describe:		; 9/1/24-8/31/25 FY24-25 \$446,380.00 ;					
9/1/25-8/31/26	FY25-26 \$446,380.00; 9/1/26-8/31/27 F						
23	FY27-28 \$446,380.00; 9/1/28-12/31/28	A CONTRACTOR OF THE PROPERTY O					
		Annual Amount					
Potential Related Operating Budget Revenues: Annual Amount Describe: Rental Reimbursement from SUNY approximately 40% of rent; Tuition from							
	Fuition from non-credit courses	Toximately 40% of Tent, Tullion from					
credit courses,	altion from flori-creat courses						
Anticipated Savings t Current Year:	co County and/or Impact on Department	: Operations:					
Next Four Years	•						
Prepared by:	Stewart Glass	1 1					
Title:	Director of Contracting & Procuremen	t Reviewed By:					
Department:	Westchester Community College	Budget Director					
Date:	July 11, 2023	Date: 73103					





TO:

Brian Miller, Senior Assistant County Attorney

Department of Law

FROM:

David S. Kvinge, AICP, RLA, CFM

Assistant Commissioner

DATE:

July 27, 2023

SUBJECT:

STATE ENVIRONMENTAL QUALITY REVIEW FOR WESTCHESTER

COMMUNITY COLLEGE LEASE - 15 SOUTH 5TH AVE, MOUNT VERNON

PROJECT/ACTION: Exercise a first option under a lease agreement with Enclave On 5th Commercial, LLC to continue leasing approximately 22,000 square feet of space in the building located at 15 South 5th Avenue in Mount Vernon, along with approximately 31 parking spaces, for the operation of a satellite campus by the Westchester Community College. The option will extend the lease by 5 years.

With respect to the State Environmental Quality Review Act and its implementing regulations 6 NYCRR Part 617, the Planning Department recommends that no further environmental review is required because the project/action:

	DOES NOT MEET THE DEFINITION OF AN "ACTION"	AS DEFINED	UNDER
	SECTION 617.2(b)		

MAY BE CLASSIFIED AS TYPE II PURSUANT TO SECTION 617.5(c)(32): license, lease and permit renewals, or transfers of ownership thereof, where there will be no material change in permit conditions or the scope of permitted activities

COMMENTS: None

DSK/cnm

cc: Andrew Ferris, Chief of Staff

Paula Friedman, Assistant to the County Executive

Tami Altschiller, Assistant Chief Deputy County Attorney

Blanca Lopez, Acting Commissioner

Claudia Maxwell, Associate Environmental Planner

An Act authorizing the County of Westchester to exercise its first option under a lease agreement with Enclave On 5th Commercial, LLC, pursuant to which the lessor leased to the County approximately twenty-two thousand (22,000) square feet of space in the building located at 15 South 5th Avenue in Mount Vernon, as well as approximately31 parking spaces, to be used and occupied by Westchester Community College, for the purpose of operating a satellite campus.

BE IT ENACTED by the County Board of the County of Westchester, as follows:

Section 1. The County of Westchester (the "County") is hereby authorized to exercise its first option (the "First Option") under a lease agreement with Enclave On 5th Commercial, LLC (the "Landlord"), pursuant to which the Landlord leased to the County approximately twenty-two thousand (22,000) square feet of space in the building located at 15 South 5th Avenue in Mount Vernon, as well as approximately 31 parking spaces, (the "Leased Premises") to be used and occupied by WCC for the purpose of operating a satellite campus, for an initial term of ten (10) years, which commenced on January 1, 2014, and will, therefore, expire on December 31, 2023, with the County having two (2) options, each of which would extend the term of the agreement by an additional five (5) years, on specified cost terms, (the "Lease Agreement") and thereby extend its term by five (5) years, to a new expiration date of December 31, 2028.

- §2. Pursuant to the terms of the Lease Agreement, the 'fixed rent' shall be \$20.29 per rentable square foot per annum for the term of the First Option, with the rentable square footage of the Leased Premises being 22,000 feet. Accordingly, for each year of the term of the First Option, the 'fixed rent' shall be \$446,380.00, with said rent being a total of \$2,231,900.00 for the full five (5) year period of the First Option.
- §3. Pursuant to the terms of the Lease Agreement, during the term of the First Option, the County shall also: (a.) be responsible for all costs, expenses, and fees relating to the maintenance, repair, and replacement of the non-structural elements (e.g., painting, carpeting, etc.) of the Leased Premises, with respect to which the Landlord will perform the work and bill the costs, expenses, and fees thereof to the County as additional rent; (b.) since the premises are now subject to a condominium regime in which the Leased Premises are one (1) condominium unit, the County shall be responsible for payment of one hundred percent (100%) of the taxes levied on the condominium unit comprising the Leased Premises, but which obligation of the County was capped at \$100,000.00 in the first year of the initial term, and which cap has, for each subsequent year of the lease term, increased by the same percentage as the aggregate real

estate taxes for the one (1) condominium unit; and (c.) pay for all water, electrical current, and gas for heating used in connection with the Leased Premises.

- §4. The County Executive or his authorized designee is hereby authorized to execute all instruments and take all actions reasonably necessary to carry out the purposes of this Act.
 - §5. This Act shall take effect immediately.