

LOCAL LAW INTRO NO. 147 - 2025

HONORABLE BOARD OF LEGISLATORS THE COUNTY OF WESTCHESTER, NEW YORK

DRAFT
LEASE AGREEMENT
ON FILE

Your Committee is in receipt of a transmittal from the County Executive recommending adoption of a Local Law which would authorize the County of Westchester (the "County") to amend and restate the current ten (10) year lease agreement (the "Original Lease") with the Westchester Children's Museum (the "Children's Museum") for the operation of a children's museum on approximately 21,390 square feet of County property which was formerly utilized as a men's bathhouse (the "Leased Premises") located in Playland Park, Rye, New York, in order to extend the term by an additional twenty (20) years and to amend and clarify certain other provisions of the Lease relating to the maintenance and repair of the Leased Premises ("Amended and Restated Lease").

As your Honorable Board may recall, the Leased Premises was discontinued as parkland pursuant to Chapter 183 of the 2003 Laws of the State of New York (the "State"), as amended (the "State Legislation"), and the County was authorized to enter into a lease with the Children's Museum for a term of up to thirty (30) years. The State, in its authorizing legislation, conditioned its approval on the following:

1. State authorization is effective only upon condition that the County dedicate an amount equal to the fair market value of those interests being transferred for the acquisition of additional parklands and/or for capital improvements to existing park and recreational facilities;
2. should the Leased Premises cease to be operated as a children's museum, the Lease shall terminate and revert to the County for public park and recreational purposes;
3. the children's museum shall be made available to the general public on an equitable basis; and
4. where availability of public facilities is limited, the use of such facilities must be determined by a reservation policy, administered by the Westchester Children's Museum in conjunction with the County, which provides priority use to the general public.

As your Honorable Board may further recall, Local Law 9-2011 subsequently authorized County to enter into the Original Lease with the Children's Museum, having a term of ten (10) years for \$1 per year. Pursuant to the terms of the Original Lease, the Children's Museum agreed to maintain the Leased Premises and to perform capital improvements to the Leased Premises totaling approximately \$6,441,300. In addition, the requirements and conditions of the State Legislation were incorporated into the Original Lease. I have been advised that the Original Lease commenced on December 14, 2015 and, to date, the Children's Museum has continuously operated the museum and has completed approximately \$4,605,000.00 in capital improvements.

Under the terms of the proposed Amended and Restated Lease, the termination date shall be extended an additional twenty (20) years to December 13, 2045 and the Children's Museum shall continue paying rent of \$1 per year to the County. In addition, the Children's Museum shall pay all costs and expenses in connection with the Amended and Restated Lease and at its sole cost and expense, and shall make all required repairs to the Leased Premises, including all exterior and structural repairs. However, the County shall provide propane, electricity, and other certain utility services to the Children's Museum at a cost of \$1,500.00 per month for the first five (5) years of the Amended and Restated Lease extension ("First Five Year Period"), adjusted annually for changes in CPI. At the end of the First Five Year Period and on each five (5) year anniversary thereafter, the Commissioner of the County's Department of Parks, Recreation and Conservation (the "Department") shall determine, in her sole discretion, whether or not the County will continue providing these services and, if so, the future costs for these services.

In addition, under the terms of the proposed Amended and Restated Lease, the Children's Museum shall invest a minimum of an additional \$10,000,000.00 in capital improvements to the Leased Premises during the remaining term. All improvements shall be subject to the approval of the Department and the County's Department of Public Works & Transportation. The County has further agreed that the County may, in its sole discretion, fund exterior repairs to the Leased Premises, including but not limited to roof repairs up to \$1,000,000.00, subject to appropriations

and receipt of all future necessary legal approvals. Finally, the requirements and conditions of the State Legislation will remain expressly incorporated into the Amended and Restated Lease.

In compliance with the first condition of the State Legislation, the Department has advised that a market rental analysis prepared by Property Valuation, Inc. dated May 24, 2023, determined that the value of the proposed extension is approximately \$10,627,506.00 total over the twenty (20) year extension period. The Department has further advised that since the commencement of the Original Lease in 2015, the County has spent over \$150,000,000.00 on capital improvements at Playland Park alone, including over \$20,000,000.00 on the Playland Pool Complex and South Bathhouse. In addition, all other conditions of the State Legislation have been and are currently being met and the County is therefore authorized, subject to approval by your Honorable Board, to extend the Lease for an additional twenty (20) years.

The Department has advised that the Children's Museum has provided the public with an educational resource and age-appropriate museum for children that provides educational, recreational and economic value to the residents of Westchester County and is consistent with the Department's mission: *To create life-enriching experiences at safe, clean, affordable parks and preserve our natural resources through responsible leadership.*

The Planning Department has advised that, based on its review, the proposed Amended and Restated Lease constitutes a "Type II" under the State Environmental Quality Review Act, 6 NYCRR Part 617 ("SEQRA"), which is an action determined not to have a significant effect on the environment and therefore does not require further environmental review. A copy of the SEQRA documentation is annexed hereto. Your Committee concurs with this recommendation.

It should be noted that in accordance with Section 104.11(5)(b) of the Laws of Westchester County, an affirmative vote of two-thirds of the members of your Honorable Board is required in order to adopt the attached local law.

Your Committee has carefully considered the proposed local law and therefore recommends that your Honorable Board adopt the proposed local law authorizing County to enter into an Amended and Restated Lease with the Children's Museum in order to extend the

term of the Original Lease by an additional twenty (20) years and clarify certain other provisions relating to the maintenance and repair of the Leased Premises.

Dated: April 28th, 2025
White Plains, New York

James J. Zeller John J.
David J. Zeller
Z. J. Zeller
vedat gadhi
D. J. Zeller
Paul J. Zeller
S. J. Zeller

James J. Zeller John J.
David J. Zeller
Z. J. Zeller
vedat gadhi
D. J. Zeller

David J. Zeller
Z. J. Zeller
vedat gadhi
S. J. Zeller

COMMITTEE ON

c/jpi/3.21.25

Budget & Appropriations

Public Works &
Transportation

Parks &
Environment

Dated: April 28, 2025

White Plains, New York

The following members attended the meeting remotely and approved this item out of Committee with an affirmative vote. Their electronic signature was authorized and is below.

A handwritten signature in black ink, appearing to read "Colin J. Smith". The signature is written in a cursive, flowing style.

COMMITTEE ON

Budget & Appropriations

FISCAL IMPACT STATEMENT

SUBJECT: Westchester Children's Museum

☐ NO FISCAL IMPACT PROJECTED

OPERATING BUDGET IMPACT

To Be Completed by Submitting Department and Reviewed by Budget

SECTION A - FUND☒ GENERAL FUND☐ AIRPORT FUND

SPECIAL DISTRICTS FUND

SECTION B - EXPENSES AND REVENUES

Total Current Year Expense \$ _____

Total Current Year Revenue	\$	751
-----------------------------------	-----------	------------

Source of Funds (check one): ☐ Current Appropriations ☐ Transfer of Existing Appropriations

☐ Additional Appropriations

☒ Other (explain)

Identify Accounts: Revenue - 165-42-5520-9205

Potential Related Operating Budget Expenses:

Annual Amount

Describe:

Potential Related Operating Budget Revenues:

Annual Amount \$18,001

Describe: Rent of \$1 per year plus \$1,500 per month (\$18,000 annually) for the use of
utilities (propane/electric). Monthly payment for utilities to begin on 12/14/2025.

Anticipated Savings to County and/or Impact on Department Operations:

Current Year:

Next Four Years: Leasee agrees to invest \$10,000,000 in capital improvements to the
leased premises during the term of the lease.

Prepared by: Kerry Riguzzi

Title: Manager - Fiscal Operations

Department: Parks, Recreation & Conservation


Date: March 17, 2025

Reviewed By:

Budget Director

Date:

TO: Tami Altschiller, Assistant Chief Deputy County Attorney
Department of Law

FROM: David S. Kvinge, AICP, RLA, CFM 
Assistant Commissioner

DATE: March 27, 2025

SUBJECT: **STATE ENVIRONMENTAL QUALITY REVIEW FOR
AMENDEMENT OF THE WESTCHESTER CHILDREN'S MUSEUM
LEASE AGREEMENT**

PROJECT/ACTION: Legislation to amend and restate the 10-year lease agreement with the Westchester Children's Museum for the building formerly utilized as a men's bathhouse in Playland Park to extend the term by an additional 20 years. Pursuant to the terms of the proposed lease amendment, the Children's Museum shall make all required repairs to the leased premises, including exterior and structural repairs, as well as invest in capital improvements to the leased premises subject to the approval of the County's departments of Parks, Recreation & Conservation and Public Works & Transportation.

With respect to the State Environmental Quality Review Act and its implementing regulations 6 NYCRR Part 617, the proposed action, may be classified as a **TYPE II action** pursuant to section(s):

- **617.5(c)(1):** maintenance or repair involving no substantial changes in an existing structure or facility; and
- **617.5(c)(2):** replacement, rehabilitation or reconstruction of a structure or facility, in kind, on the same site, including upgrading buildings to meet building, energy, or fire codes unless such action meets or exceeds any of the thresholds in section 617.4 of this Part; and
- **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: All repairs and improvements will comply with the Secretary of the Interior's Standards for the Treatment of Historic Properties. Future capital improvements by the Children's Museum will be subject to County department approvals and any further environmental review as may be required by SEQR.

DSK/oav

cc: Andrew Ferris, Chief of Staff
Paula Friedman, Assistant to the County Executive
Kathleen O'Connor, Commissioner of Parks, Recreation and Conservation
Peter Tartaglia, First Deputy Commissioner of Parks, Recreation and Conservation
John Paul Iannace, Senior Assistant County Attorney
Claudia Maxwell, Principal Environmental Planner

LOCAL LAW INTRO. NO. 147 – 2025

A LOCAL LAW authorizing the County of Westchester to amend a lease agreement with the Westchester Children's Museum for the operation of a children's museum on approximately 21,390 square feet of County property in order to extend the term an additional twenty (20) years and to amend and clarify certain other provisions of the lease agreement.

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

Section 1. The County of Westchester ("County") is hereby authorized to enter into an amended and restated lease agreement ("Amended and Restated Lease") with the Westchester Children's Museum ("Children's Museum") for the operation of a children's museum on approximately 21,390 square feet of County property in Playland Park, Rye, New York (the "Leased Premises") in order to extend the term an additional twenty (20) years for a new termination date of December 13, 2045. Lease fees shall be paid at the rate of \$1 per year for the term and the Children's Museum shall pay all costs and expenses in connection with the Amended and Restated Lease at its sole cost and expense and shall make all required repairs to the Leased Premises, including all exterior and structural repairs. Additionally, the Children's Museum shall make capital improvements over the remaining term of the Ameded and Restated Lease to the Leased Premises totaling approximately Ten Million Dollars (\$10,000,000). All improvements shall be subject to the approval of the County's Department of Parks, Recreation and Conservation and the Department of Public Works.

§2. The County Executive or his authorized designee is authorized and empowered to execute all instruments and to take all actions reasonably necessary to effectuate the purposes of this Local Law.

§3. This Local Law shall take effect immediately.

STATE OF NEW YORK)
)
) SS.
COUNTY OF WESTCHESTER)

I HEREBY CERTIFY that I have compared the foregoing Local Law, Local Law Intro No. 147 - 2025, with the original on file in my office, and that the same is a correct transcript therefrom, and of the whole, of the said original Local Law, which was duly adopted by the County Board of Legislators, of the County of Westchester on May 19, 2025, and approved by the County Executive on May 20, 2025.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Corporate Seal of said County Board of Legislators on this 20th day of May, 2025.

Malika Vanderberg

The Clerk of the Westchester County
Board of Legislators

County of Westchester, New York

