

CALL TO ORDER

Emily A. Youssouf

- ADOPTION OF MINUTES December 1, 2015

Emily A. Youssouf

- SENIOR ASSISTANT VICE PRESIDENT'S REPORT

Roslyn Weinstein

ACTION ITEMS

- **Resolution**

Ernest Baptiste

Authorizing the President of New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a five-year lease extension agreement with Charrua Realty LLC (the "Landlord") for approximately 2,240 square feet of ground floor space at 2619 Atlantic Avenue, Borough of Brooklyn to house the Assertive Care Treatment Team ("ACT") program operated by NYC Health + Hospitals/East New York with Gotham Health FQHC, Inc. (the "Facility") at a rate of \$18.75 per square foot, or \$42,000 per year to be escalated by 3% per year for a total rental amount over the five year term of \$222,983.64.

- **Resolution**

Cyril Toussaint / Ernest Baptiste

Authorizing the President of NYC Health + Hospitals to execute a Customer Installation Commitment ("CIC") with the New York City Department of Citywide Administrative Services ("DCAS") and the New York Power Authority ("NYPA") for an amount not-to-exceed \$14,905,587 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Energy Conservation Measures upgrade project (the "Project") at NYC Health + Hospitals / Kings County (the "Facility").

- **Resolution**

Denise Lyman

Authorizing the President of the NYC Health + Hospitals (the "Health Care System") to execute Job Order Contracts (JOC) with two (2) firms: MSR Electric; and, Arcadia Electrical Company; (the Contractors"), that were pre-qualified through the Health Care System's public bid process, to provide construction services on an as-needed basis at various facilities throughout the Health Care System. Each individual contract shall be for a term of two (2) years, for an amount not to exceed \$6,000,000. The total authorized value of these contracts is \$12 Million.

Vendex: Pending. Documents for both contractors have been submitted to the Office of Legal Affairs.

- **Resolution**

Denise Lyman

Authorizing the President of NYC Health + Hospitals (the "Health Care System") to execute Job Order Contracts (JOC) with two (2) firms: Startec Mechanical, LLC.; and Volmar Construction, Inc.; (the Contractors"), that were pre-qualified through the Health care system's public bid process, to provide construction services on an as-needed basis at various facilities throughout the Health Care System.

Each individual contract shall be for a term of two (2) years, for an amount not to exceed \$6,000,000. The total authorized value of these contracts is \$12 Million.

Vendex: Approved for Startec Mechanical. Documents for Volmar have been submitted to the Office of Legal Affairs and are pending approval.

- **Resolution**

LaRay Brown

Authorizing the President of the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a 99 year sublease (including tenant renewal options) with Comunilife, Inc. or an affiliate formed for the transaction (the "Tenant"), of a parcel of approximately 13,000 square feet within the parking lot of Woodhull Medical and Mental Health Center (the "Facility") to be used for the development of a six story building with 89 studio apartments including 36 for low income individuals and 53 for low income individuals living with mental illness who are appropriate for independent living in the community at an annual rent of \$75,000.

INFORMATION ITEMS

OLD BUSINESS

NEW BUSINESS

ADJOURNMENT

CAPITAL COMMITTEE MEETING MINUTES

December 1, 2015

MINUTES

Capital Committee

Meeting Date: December 1, 2015

Time: 12:00 P.M.

Location: Board Room

Board of Directors:

Members of the Capital Committee

Lilian Barrios Paoli, Chairman of the Board

Emily A. Youssouf, Chair

Josephine Bolus, RN, NP, BC

Mark Page

Ramanathan Raju, MD, President

HHC Staff:

Jeremy Berman – Deputy General Counsel, Office of Legal Affairs

LaRay Brown – Senior Vice President, Corporation Planning and Community Outreach

Deborah Cates – Chief of Staff, Office of the Chairman

Ruby Cruz – Assistant Director, Office of Facilities Development

Martin Everette – Affirmative Action/Equal Employment Opportunity

Steven Fass – Assistant Vice President, Corporate Planning

Mahendranath Indar – Senior Director, Office of Facilities Development

Lucinda Glover – Senior Director, Medical and Professional Affairs

Jonathan Goldstein – Senior Consultant, Corporate Planning

Elizabeth Guzman – Corporate Comptroller's Office

David Hoffman – Chief Compliance Officer, PAGNY

Louis Iglhaut – Assistant Vice President, Office of Facilities Development

Mahendranath Indar – Senior Director, Office of Facilities Development

Marcus Lewis – Assistant Director – Office of Facilities Development

Patricia Lockhart – Secretary to the Corporation, Office of the Chairman

Denise Lyman – Director, Office of Facilities Development

Antonio Martin – Executive Vice President

Dean Moskos – Director, Office of Facilities Development

Caswell Samms – Chief Financial Officer, Lincoln Medical and Mental Health Center

Cyril Toussaint – Director, Office of Facilities Development

L. Rickie Tulloch – Director, Office of Facilities Development

Roslyn Weinstein – Senior Assistant Vice President, President's Office

Dion Wilson – Director of Real Estate, Office of Legal Affairs

Elizabeth Youngbar – Assistant Director, Office of Facilities Development

Frank Zanghi – Audit Manager, Internal Audits

Other Attendees:

Shaylee Wheeler – New York City Office of Management and Budget

CALL TO ORDER

The meeting was called to order by Emily A. Youssouf, Chair, Capital Committee, at 12:07 P.M.

On motion, the Committee voted to adopt the minutes of the November 12, 2015, Capital Committee meeting.

SENIOR ASSISTANT VICE PRESIDENT'S REPORT

Roslyn Weinstein, Senior Assistant Vice President, Operations, advised that there would be two action items on the agenda, and one information item, a presentation by the Energy Department. She noted that there would be two public hearings held in January, as mentioned at the November meeting; one for Draper Hall II on January 5, 2016, and one on January 7, 2016, regarding the anticipated residential construction by Communitlife on the Woodhull Hospital Center campus.

That concluded Ms. Weinstein's report.

ACTION ITEMS

- **Authorizing the President of NYC Health + Hospitals (the "Health care system") to execute a five year lease agreement including one five year option with 850 Longwood Avenue Housing Development Fund Corporation (the "Landlord") for approximately 2,200 square feet of ground floor space at 850 Longwood Avenue, Borough of the Bronx, to house the Special Supplemental Nutrition Program for Women, Infants and Children (the "WIC Program") operated by NYC Health + Hospitals/Morrisania, a Gotham Health Center (the "patient care site") at a rate of \$22.72 per square foot inclusive of utilities, or \$50,000 per year to be escalated by 2% per year for a total rent amount over the five year initial term of \$260,202.**

Caswell Samms, Chief Financial Officer, Lincoln Medical and Mental Health Center, read the resolution into the record. Mr. Samms was joined by Anita Lee, Chief Operating Officer, Gotham Health, and Dion Wilson, Director, Legal Affairs.

Ms. Youssouf asked for a description of the program. Ms. Lee explained that the site was under the administrative oversight of Morrisania Diagnostic and Treatment Center and had been operating for nearly 20 years, 10 in the current site and had since forged relationships with the schools and other organizations within the community. She noted that lease charges were paid for through program grants, and the most recent grant would fund the program from 2016 – 2020. The program grant provided the location, nutrition services, breast feeding education and counseling, in addition to medical and social services referrals at Morrisania and its satellite sites. She said the location served 2,000 WIC participants.

Ms. Youssouf asked if any improvements would be done to the site, at the cost of the landlord. Mr. Wilson said yes, he believed that the landlord would be doing some interior work; painting, plumbing, ceiling repair, installation of a new vestibule and other minor repair work to the main entrance.

Ms. Youssouf asked whether the annual occupancy fee was a fair market value rate. Mr. Wilson said yes, it was on the lower end of the market.

Josephine Bolus, RN, asked if there would be any obesity prevention/education by the program. Ms. Lee said yes, the breastfeeding program is the early end of that, and that would be offered, and there would also be nutritionists on site. She added that any other conditions that were of concern would be referred to Morrisania.

There being no further questions or comments, the Committee Chair offered the matter for a Committee vote.

On motion by the Chair, the Committee approved the resolution for the full Board's consideration.

- **Authorizing the President of the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a one-year revocable license agreement with the New York City Department of Health and Mental Hygiene ("DOHMH"), renewable for successive one-year periods until terminated, for NYC Health + Hospitals to occupy portions of the DOHMH properties listed in the attached Exhibit A consisting of 54,682 square feet in total (the "DOHMH Sites") for the operation of ambulatory care clinics with the occupancy cost waived but with NYC Health + Hospitals responsible for certain after-hours charges not to exceed \$500,000 per year.**

LaRay Brown, Senior Vice President, Corporate Planning and Community Outreach, read the resolution into the record.

Ms. Brown explained that NYC Health + Hospitals was expanding primary care access throughout the five boroughs, as part of the Mayor's Caring Communities initiatives, which included expansion outside of NYC Health + Hospitals as well, to expand care in high need areas. The Health + Hospitals strategy was to first look in the neighborhoods identified as in need, where we already provide services. In most of those cases we were operating in City owned buildings where there was an opportunity to expand our footprint and therefor expand service lines. In doing so the NYC Health + Hospitals worked with the Department of Health and Mental Hygiene (DOHMH) to determine whether they were amenable to increasing our space for the expansion. Within those discussions it became apparent that we had no Memorandum of Understanding (MOU) that clearly codified what we were doing in those buildings and what our future plans were. It was also important to us that as we expanded service lines and increased space, we would also be needing to expand hours and days of operations. We quickly discerned that DOHMH operated sites held particular hours (typically not operating in evenings or on weekends) and the added security, stationary engineers, or other general operating costs that were outside of the normal daily operations, would be paid for by NYC Health + Hospitals and not incurred by DOHMH. This resolution spoke to those additional costs, which are believed to be fair, and which NYC Health + Hospitals would assume. NYC Health + Hospitals would not be charged any occupancy fee but would pay the additional costs related to the operations of our services, beyond the business hours of the department.

Ms. Youssouf asked if that scenario represented all sites, or if there were additional sites that were not within DOHMH buildings. Ms. Brown said yes, there were some sites that were new, at least one in Brooklyn (Fluke Avenue) where NYC Health + Hospitals did not currently operate but were in an area which had been determined to need expanded services.

The second part of the project was working to identify lease sites, which was only an option for locations in which NYC Health + Hospitals did not already have a presence. There were at least seven or eight locations that NYC Health + Hospitals would like to be in. Of those, there were approximately five for which sites had been identified. There were on-going site visits for the remaining space(s).

It would be a combination of expansion of existing sites and new locations, said Ms. Brown.

Ms. Youssouf asked if any of the funding provided to the Economic Development Corporation (EDC) would be used for NYC Health + Hospitals expansion. Ms. Brown said she did not believe that any of the \$8 million was available to NYC Health + Hospitals but the City of New York had provided \$12 million in Capital funding to assist in the expansion that was being planned. EDC, in addition to the \$8 million grant, would be providing technical assistance and in-kind support for other Federally Qualified Health Centers.

Mark Page asked what the buildings looked like and whether they were identifiable as NYC Health + Hospitals sites and not DOHMH. Ms. Brown said the buildings varied in type but for the most part there were single entrances. She noted that signage had been a very important topic of discussion, both interior and exterior. She explained that NYC Health + Hospitals had made the argument that if we were making the effort to expand services we needed to be able to show people where we were and how to navigate within the building to find the site, as well as how to see the site from out on the street, whether it be by flying flags or other noticeable signifiers.

Mrs. Bolus noted that the Bayview Houses in Canarsie housed 72 families in each building, with 24 buildings and required multiple bus lines to reach the nearest patient care site(Kings County). She said that the Brookline Houses were in a similar situation and asked that Ms. Brown and her staff investigate why they had not been identified as areas in need of expanded services.

Ms. Brown said that they had investigated and although there were needs in a number of neighborhoods throughout the City, those specific areas were identified on the forefront of this process as a location for NYC Health + Hospitals to expand. She noted that the work would be ongoing and there would hopefully be (provided resources were available) continuous assessment of where services were needed and what could be done to provide them. Perhaps, she offered, they don't need to be brand new sites, but discussions about where there is space available that would be adequate for providing basic services such as screenings, etc. She again acknowledged that there were a number of neighborhoods, in Brooklyn and elsewhere, that did not have easily accessible care, and this first effort at expansion was not able to reach them all.

Ms. Youssouf said she was pleased that an MOU had been put in place, and surprised that there had not been one already. Ms. Brown said credit was due to Jeremy Berman for his efforts.

Ms. Youssouf recommended a conversation with the New York City Housing Authority (NYCHA) take place at some time to discuss what space may be available within some of their sites and what resources NYC Health + Hospitals may have available.

Mr. Page said that it was clear that there were acute needs in a number of areas and he hoped that NYC Health + Hospitals remained alert as to whether the inundation with patients that is expected in these high need areas actually happened. He asked that we monitor the anticipated service levels.

Ms. Brown said that it was taken into account what other services were available nearby and what was happening in terms of population growth. Communities are not static, she said, so our services cannot be. Mr. Page agreed.

There being no further questions or comments, the Committee Chair offered the matter for a Committee vote.

On motion by the Chair, the Committee approved the resolution for the full Board's consideration.

INFORMATION ITEMS

- **Energy Presentation**

Cyril Toussaint, Director, Ruby Cruz, Assistant Director: Energy Manager, and Marcus Lewis, Assistant Director: Energy Analyst, Office of Facilities Development, provided a brief presentation.

Ms. Cruz advised that NYC Health + Hospitals/Lincoln had received \$10.8 million in funding that would result in \$1.5 million savings, and the chiller project at NYC Health + Hospitals/Bellevue had been funded with \$3.8 million in grants, and would result in a \$1 million anticipated annual savings. Ms. Youssouf said she was pleased to hear that.

Mr. Lewis explained that his major finding over the past few fiscal years was the lack of cohesion between NYC Health + Hospitals/Central Office and the patient care sites that resulted in overpayment of utility charges and resulted in more open lines of communication when it came to usage and cost. Ms. Youssouf and Mrs. Bolus thanked Mr. Lewis.

Ms. Weinstein introduced a video that the Office of Facilities Development had compiled, on completion of energy projects, financial savings to date, and plans for continuing conservation measures.

Ms. Weinstein asked Mr. Lewis to elaborate on the batteries that were discussed in the video presentation.

Mr. Lewis explained that in the event of a natural disaster, or when the patient care site needed or wanted to operate off of the electrical grid, the batteries would allow for the patient care site to continue to operate and be resilient. Ms. Weinstein added that the battery program, which would be an experiment at NYC Health + Hospitals/Jacobi and NYC Health + Hospitals/Queens, would allow for continued operation of a portion of the patient care site, without the need of generators.

Mr. Iglhaut explained that solar energy was another program being tested, and that at present that source provided for 2.6 megawatts of power from panels, maintenance free. That, he explained, was equal to energy needed to power 250 homes for a year or taking approximately 380 cars off the road. The panels would be monitored and if determined to be beneficial may be coupled with the battery project to reduce the demand on the grid and make patient care sites more self-reliant.

Mrs. Bolus asked how long the batteries stay charged. Mr. Iglhaut said they were constantly charging, until utilized, and once utilized, they could power a piece of the patient care site for approximately four (4) to eight (8) hours. Mr. Iglhaut noted that the batteries were not meant to power the entire building but to supplement a portion of the energy used, and if this worked out then the program may be expanded.

Mr. Page asked where the funding was coming from. Mr. Toussaint said it came from the Department of Citywide Administrative Services (DCAS). Ms. Weinstein added that it was debt free money. Mr. Page asked, for whom. Ms. Youssouf said, for NYC Health + Hospitals.

Ms. Youssouf asked what savings had actually been realized. Ms. Weinstein said that between all the energy projects to date, over fiscal year 2014 – 2015, there had been a savings of \$11 million and the next year an \$8 million savings was anticipated. That may be a smaller number, but that is on top of the \$11 million already realized, said Ms. Weinstein.

Ms. Weinstein noted that there was a more thorough power point presentation included in the package, with additional information.

Mr. Page asked if Federal Emergency Management Association (FEMA) funding had been provided for the NYC Health + Hospitals/Coney Island boilers. Ms. Weinstein said no, because there was money in place prior to the disaster, and the project had already been approved by the board, we did not receive emergency funding.

Ms. Youssouf acknowledged that the energy team was doing great work and asked for a reminder as to what award Marcus Lewis had received. Ms. Weinstein said that he had been awarded the Energy Analyst of the year award for New York. The audience applauded Mr. Lewis.

Ms. Youssouf thanked the team and said she looked forward to quarterly updates.

There being no further business, the meeting was adjourned at 12:51 P.M.

LEASE EXTENSION

CHARRUA REALTY

2619 ATLANTIC AVENUE, BROOKLYN

ASSERTIVE CARE TREATMENT (ACT) TEAM

EASTY NEW YORK/GOTHAM HEALTH

RESOLUTION

Authorizing the President of New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a five-year lease extension agreement with Charrua Realty LLC (the "Landlord") for approximately 2,240 square feet of ground floor space at 2619 Atlantic Avenue, Borough of Brooklyn to house the Assertive Care Treatment Team ("ACT") program operated by NYC Health + Hospitals/East New York with Gotham Health FQHC, Inc. (the "Facility") at a rate of \$18.75 per square foot, or \$42,000 per year to be escalated by 3% per year for a total rental amount over the five year term of \$222,983.64.

WHEREAS, in September 1996, the Board of Directors of NYC Health + Hospitals authorized the President to enter into a ten year lease agreement with the Landlord; and

WHEREAS, in November 2005 the Board of Directors of NYC Health + Hospitals authorized the President to enter into a five year lease agreement with the Landlord with one five year renewal option with the Landlord which option was exercised; and

WHEREAS, the ACT Team is a community-based behavioral health program providing comprehensive psychiatric treatment to patients with mental illness; and

WHEREAS, entering into a lease extension with the Landlord will allow the Facility's behavioral health program to continue to serve its patient population.

NOW, THEREFORE, be it

RESOLVED, that the President of New York City Health and Hospitals Corporation be and is hereby authorized to enter into a five-year lease extension agreement with Charrua Realty LLC for approximately 2,240 square feet of ground floor space at 2619 Atlantic Avenue, Borough of Brooklyn to house the Assertive Care Treatment Team operated by NYC Health + Hospitals/East New York with Gotham Health FQHC, Inc. at a rate of \$18.75 per square foot, or \$42,000 per year to be escalated by 3% per year for a total rental amount over the five year term of \$222,983.64.

EXECUTIVE SUMMARY

**NYC HEALTH + HOSPITALS/EAST NEW YORK, A GOTHAM HEALTH CENTER
ASSERTIVE CARE TREATMENT TEAM ("ACT")
2619 ATLANTIC AVENUE
BOROUGH OF BROOKLYN**

- OVERVIEW:** The President seeks authorization from the Board of Directors of NYC Health + Hospitals to enter into a five-year extension agreement for ground floor space at 2619 Atlantic Avenue, Borough of Brooklyn to house the Assertive Care Treatment Team ("ACT") program operated by NYC Health + Hospitals/East New York, a Gotham Health Center ("East New York")
- NEED/
PROGRAM:** The ACT Team, a community-based behavioral health program, provides comprehensive psychiatric treatment to patients with persistent mental illness has been providing services at this site since 1996. The program is licensed by the New York State Office of Mental Health.
- UTILIZATION:** The program currently provides services to 68 patients.
- TERMS:** NYC Health + Hospitals will have the continued use of approximately 2,240 square feet of space on the ground floor. The initial term of the lease will be five years. The base rent will be \$18.75 per square foot or \$42,000 per year. The rent will be escalated at a rate of 3% per year. NYC Health + Hospitals will pay for separately metered utilities including electricity, heat, water and sewer rents. The landlord will be responsible for interior and exterior structural maintenance and repairs, including the roof, and main utility feeder lines. NYC Health + Hospitals will be responsible for interior non-structural maintenance and repairs. NYC Health + Hospitals will be responsible for sidewalk snow removal adjacent to the premises. NYC Health + Hospitals is currently paying \$41,324 per year in rent which was subject to 3% escalation during the term. The new rent will commence at \$42,000 per year, a 1.6% increase above the current rent. The escalation will remain at 3% per year.
- FINANCING:** The program is funded through Medicaid.

SUMMARY OF ECONOMIC TERMS

SITE: 2619 Atlantic Avenue
Borough of Brooklyn
Block 3669, Lot 1

SIZE: 2,240 square feet on the ground floor of the premises.

LANDLORD: Charrua Realty Corporation
Brooklyn, New York

TERM: Five years

RENT: \$18.75 per square foot or \$42,000 per year

	Year 1	Year 2	Year 3	Year 4	Year 5
Prior Term Rent	\$37,817.10	\$37,817.10	\$38,951.61	\$40,120.16	\$41,323.76
Prior Term PSF	\$16.88	\$16.88	\$17.39	\$17.91	\$18.45
NEW Annual Rent	\$42,000.00	\$43,260.00	\$44,557.80	\$45,894.48	\$47,271.36
New Rent PSF	\$18.75	19.31	\$19.89	\$20.49	\$21.10

MAINTENANCE: The landlord will be responsible for interior and exterior structural maintenance and repairs, including the roof, and main utility feeder lines. The ten NYC Health + Hospitals will be responsible for interior non-structural maintenance and repairs. NYC Health + Hospitals will be responsible for sidewalk snow removal adjacent to the premises.

UTILITIES: NYC Health + Hospitals will pay for all separately metered utilities including electricity, heat, water and sewer rents.

TAXES: NYC Health + Hospitals shall be responsible for paying its proportionate share of real estate tax increases above base year 2015/16.

Lease Extension Agreement

Assertive Care Treatment (ACT) Team

2619 Atlantic Avenue, Brooklyn

**ACT Team
2619 Atlantic Avenue**



**Kings County Hospital
451 Clarkson Avenue**

**East New York D&TC
2094 Pitkin Avenue**

SAVITT PARTNERS

December 22, 2015

Mr. Dion Wilson
Director
Office of Facilities Development, Real Estate
NYC Health and Hospitals Corporation
346 Broadway, 12 West
New York, NY 10013

Re: 2619 Atlantic Avenue, Brooklyn, NY 11208
Block: 3669, Lot: 01

Dear Dion:

You have asked me to comment on the reasonableness of the proposal for a five year lease extension for the referenced property. The Landlord, M.C. O'Brien, Inc., has proposed to renew the lease to New York City Health & Hospitals Corporation for a term of five years, commencing March 1, 2016 at a rent of \$3,500 per month (\$42,000 per annum) with escalations yearly at 3% compounded, beginning the first anniversary of the lease extension and yearly thereafter.

The Landlord will be responsible for all interior and exterior structural maintenance and repairs and the Tenant shall be responsible for interior non-structural maintenance and repairs. Tenant shall also be responsible for snow removal. Tenant shall pay for all its utilities including electric, heat, water and sewer. Taxes shall be Tenant's proportionate share over the original base year of the lease, 2005/2006.

Rents in the area are in the \$20-24/sf range (see attached comps). The proposed rent of approximately \$18.75/sf is fair and reasonable. Further, while we would expect to see the Landlord adjust the tax base year to the current tax year for its base tax year commencement, the rent is a bit below market, and can therefor justify keeping the tax base year as is. It would be our preference, however, for an attempt to be made to move the tax base to the current year, as previously mentioned, or find some compromise in between the current year and the initial base year for taxes.

The yearly escalations are common and New York City Health & Hospitals Corporation should feel comfortable paying that as their yearly increase. All other terms and conditions are consistent with the market and acceptable.

If you have any further questions, please let me know.

Very truly yours,



Michael Dubin
Partner

CUSTOMER INSTALLATION COMMITMENT

**NEW YORK POWER AUTHORITY (NYPA)
DEPARTMENT OF CITYWIDE ADMINISTRATIVE
SERVICES (DCAS)**

**NEW YORK CITY HEALTH + HOSPITALS /
KINGS COUNTY**

RESOLUTION

Authorizing the President of NYC Health + Hospitals to execute a Customer Installation Commitment ("CIC") with the New York City Department of Citywide Administrative Services ("DCAS") and the New York Power Authority ("NYPA") for an amount not-to-exceed \$14,905,587 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Energy Conservation Measures upgrade project (the "Project") at NYC Health + Hospitals / Kings County (the "Facility").

WHEREAS, in March 2005, NYC Health + Hospitals, the City University of New York, the New York City Board of Education, and the City of New York, through the Department of Citywide Administrative Services (collectively, the "Customers"), entered into an Energy Efficiency-Clean Energy Technology Program Agreement ("ENCORE Agreement") with NYPA; and

WHEREAS, in September 2014, the City mandated a 80% reduction in greenhouse gas emissions in City-owned properties by 2050, managed by Division of Energy Management within Department of Citywide Administrative Services ("DCAS"); and

WHEREAS, in December 2009, as part of PlaNYC 2030, the City passed major legislation known as the "Greener, Greater Buildings Plan" that included more stringent code requirements; required installation of lighting upgrades and tenant meters in non-residential spaces; and required all buildings over 50,000 square feet to undertake benchmarking and audits; and implement retro-commissioning measures. Local Law 87 mandated Comprehensive Energy Audits be completed within a 10 year time frame (2013 – 2023); and

WHEREAS, the City, through DCAS, has allocated funding under the Accelerated Conservation and Efficiency ("ACE") program for improvements and upgrades to increase energy efficiency and energy cost savings at City-owned facilities in line with the PlaNYC initiative to reduce energy and greenhouse gas emissions of municipal operations 80% by 2050; and

WHEREAS, NYC Health + Hospitals has determined that it is necessary to address the proposed energy conservation measures at the Facility by undertaking the project at a not-to-exceed cost of \$14,905,587 (see Exhibit A – Executive Project Summary), to enhance the reliability of its systems, as well as increase the comfort and safety of the building occupants; and

WHEREAS, DCAS has deemed this ACE project to be eligible under the PlaNYC initiative and has allocated \$10,000,000 in the PlaNYC capital budget; and

WHEREAS, NYPA demonstrates that the project will produce total annual cost savings to the Facility estimated at \$1,553,633; and

WHEREAS, the overall management of the construction contract will be under the direction of the Assistant Vice President - Facilities Development.

NOW THEREFORE, be it

**Page Two – Resolution
Customer Installation Commitment**

RESOLVED, the President of the NYC Health + Hospitals to execute a Customer Installation Commitment (“CIC”) with the New York City Department of Citywide Administrative Services (“DCAS”) and the New York Power Authority (“NYPA”) for an amount not-to-exceed \$14,905,587 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Energy Conservation Measures upgrade project (the “Project”) at NYC Health + Hospitals / Kings County (the “Facility”).

EXECUTIVE SUMMARY

NYC HEALTH + HOSPITALS / KINGS COUNTY ENERGY CONSERVATION MEASURES UPGRADE

OVERVIEW: NYC Health + Hospitals is seeking to undertake an energy efficiency project, which addresses mandated energy reduction in New York City. This project will incorporate a number of energy efficiency recommendations that arose from a comprehensive energy audit funded by the Department of Citywide Administrative Services (DCAS). The project is fully design, estimated, and completely bid under NYPA. The project cost is not-to-exceed \$14,905,587.

NEED: During the Comprehensive Energy Efficiency Audit of the Facility managed by NYPA, it was determined that several energy conservation measures (ECMs) of the audit be implemented. ECMs such as lighting and controls upgrades, windows replacement, and other energy consumption measures will be implemented to enhance the reliability of the facility systems, as well as increase the comfort and safety of buildings occupants.

In 2013, the City of New York, through the Department of Citywide Administrative Services ("DCAS") allocated funding for improvements and upgrades to increase energy efficiency and energy cost savings at City-owned facilities in line with the PlaNYC initiative to reduce energy costs and greenhouse gas emissions ("GHG") of municipal operations 30% by 2017¹. DCAS developed the Accelerated Conservation and Efficiency ("ACE") Program to fund capital-eligible energy efficiency and clean energy projects. DCAS approved PlaNYC funding for the following ECMs at the Facility:

- ECM – 1: Campus High Efficiency lighting;
- ECM – 2: Campus Steam Distribution;
- ECM – 3: "S" Building Waterside Chilled Hot Water Economizer;
- ECM – 4: Campus Air Handler Units and Delta T;
- ECM – 5: "Z" building Steam Pressure Reduction;
- ECM – 6: Upgrade "D" Building Variable Frequency Drive;
- ECM – 7: Upgrade "T" Building Lighting and Controls;
- ECM – 8: Upgrade "ABC" Buildings Lighting and Controls; and
- ECM – 9: Window replacement "ABC" Buildings.

SCOPE: The scope of work corresponds to the ECMs approved by DCAS:

- ❖ ECM – 1: Upgrade the lighting systems in the Food Service, Support Office, "P" and "Z" buildings and steam tunnels;
- ❖ ECM – 2: Make improvements to the campus distribution system, including the repair and installation of insulation, replacement of failed steam traps and failed expansion joints;
- ❖ ECM – 3: Provide for the insulation of a plate and frame heat exchanger and necessary appurtenances and modifications to act as a water side economizer and provide free cooling during colder seasons for the "S" building chilled water system;
- ❖ ECM – 4: Provide for the insulation of new high performance pressure independent 2-way control valves on "S", "D" and "E" buildings air handling

Page Two – Executive Summary
Customer Installation Commitment

units to enhance system operating differentials;

- ❖ ECM – 5: Provide for the installation of a real time steam system pressure monitoring and modeling system that will allow steam pressures to be reduced during periods of low demand;
- ❖ ECM – 6: Replace variable frequency drives, controls and sensors in the “D” building;
- ❖ ECM – 7: Upgrade the lighting and controls systems in the “T” building;
- ❖ ECM – 8: Upgrade the lighting and controls systems in the “ABC” buildings; and
- ❖ ECM – 9: Upgrade and replace the existing original double hung single pane wooden windows and sashes located in the “ABC” buildings.

TERMS: NYPA has competitively bid this project and has submitted a final total project cost to NYC Health + Hospitals.

COSTS: \$14,905,587

SAVINGS: Electrical:
Energy Consumption Savings: 4,478,594 kilowatts-hours (kWh)
Monthly Demand Decrease: 315.79 kilowatts (kW)
Annual Electrical Energy Savings: \$537,431

Fuel:
Gas / Oil Savings: 1,012,150 therms
Gas / Oil Energy Savings: \$1,016,202
CO2 Reductions: 6,769.2 tons

Total Annual Estimated Savings: \$1,553,633
Simple Payback: 9.59 years

FINANCING: PlaNYC Capital - \$10,000,000 (no cost); and General Obligations Bonds- \$4,905,587. NYC Health + Hospitals expects to proceed with this project upon the approval of this resolution, and the execution of the Customer Installation Commitment (“CIC”) (see Exhibit B).

SCHEDULE: NYC Health + Hospitals expects NYPA to complete this project by June 2017.

¹ In September 2014, New York City released a comprehensive, 10-year plan called “*One City: Built to Last-Transforming New York City’s Buildings for a Low Carbon Future*” to address the energy used in our buildings. The plan has an overall target of reducing greenhouse gas (GHG) 80% below 2005 levels by 2050. In 2015, NYC Health + Hospitals accepted the Hospitals and Universities NYC Carbon Challenge to reduce GHG emissions by 50% by 2025.

NYC Health + Hospitals / Kings County

**Energy Conservation Measures Upgrade
Development, Design, & Implementation Program
Table 1: Total Project Summary - Base Scope of Work**

ICIC

ES-GSN-0601

Project Cost

	<u>Material:</u>	<u>Labor:</u>
Construction Costs:	\$3,128,669.62	\$5,251,739.10
(5) Controlled Inspections:	\$0.00	\$85,000.00
Asbestos Abatement:	\$0.00	\$1,267,200.00
(6) Permitting:	\$0.00	\$31,000.00
Totals:	\$3,128,669.62	\$6,634,939.10
Total Material & Labor:	\$9,763,608.72	
(7) Construction Contingency (10%):	\$976,360.87	
(8) Allowances:	\$50,000.00	
Subtotal:	\$10,789,969.59	
Payment and Performance Bond:	\$142,332.25	
Abatement Design & Monitoring:	\$316,800.00	
Hazardous Waste Disposal Cost:	\$15,000.00	
(1) Audit, Design & Construction Mgt:	\$1,855,054.31	
(2) NYPA Project Mgt & Administrative:	\$1,078,996.96	
ASHRAE Level II Audit	\$65,000.00	
(3) NYPA Lighting Material Handling Fees:	\$7,542.00	
Total Fees:	\$3,006,593.27	
Subtotal:	\$14,270,695.11	
(9) Interest During Construction (IDC):	\$634,891.78	

Estimated Energy Savings

<u>Electrical:</u>		<u>Fuel:</u>	
Energy Savings:	4,478,594.00 kWh	Gas / Oil Savings:	101,215 MMBtu
Total Demand (monthly):	315.79 kW	Gas / Oil Energy Savings:	\$1,016,202.00
Electrical Energy Savings:	\$537,431.00	CO2 Reductions:	6,769.2 tons
Total Estimated Amount Saved: \$1,553,633.00			
Total Emissions Reduction (%): 13.10%			

Payback

	Project Name	*****Total Project Cost	Annual Savings
Current Project:	*****NYC Health + Hospitals / Kings County	\$14,905,586.89	\$1,553,633.00
Previous Project #1:	N/A	\$0.00	\$0.00
Previous Project #2:	N/A	\$0.00	\$0.00
Cumulative Total Project Cost:		\$14,905,586.89	
Cumulative Estimated Annual Savings:		\$1,553,633.00	
Simple Payback:		9.59	

(1) A fee of 16.75 % of equipment and installation labor costs is applicable. A fee of 17.5% of Asbestos Abatement is applicable. Also, includes a design fee for scope that was designed through, but not implemented.
 (2) A fee of 10% of equipment and labor costs is applicable. This fee includes, but is not limited to, the costs associated with securing contractors, or NYPA personnel as the case may be, to perform the services of construction management, quality assurance, waste disposal permitting, etc., and to obtain payment bonds, as required.
 (3) A fee of 1.5% of lighting equipment is applicable.
 (4) Not used.
 (5) Estimated value; actual costs will be reconciled in the Final CIC
 (6) Cost for expediting fees.
 (7) All unused contingency monies (and any related program costs), will be removed from the total project cost at the time the project is completed.
 (8) Allowance for lost time and moving stored materials for windows. All unused allowance monies (and any related program costs), will be removed from the total project cost at the time the project is completed.
 (9) IDC based on 24 months @ 4%.

JOB ORDER CONTRACTS

MSR ELECTRIC

ARCADIA ELECTRIC

RESOLUTION

Authorizing the President of the NYC Health + Hospitals (the "Health Care System") to execute Job Order Contracts (JOC) with two (2) firms: MSR Electric; and Arcadia Electrical Company; (the Contractors"), that were pre-qualified through the Health Care System's public bid process, to provide construction services on an as-needed basis at various facilities throughout the Health Care System. Each individual contract shall be for a term of two (2) years, for an amount not to exceed \$6,000,000. The total authorized value of these contracts is \$12 Million.

WHEREAS, the facilities of the Health Care System may require professional construction services, such as, Electrical Contracting services; and

WHEREAS, the Health Care System has determined that such needs can best be met by utilizing outside firms, on an as-needed basis, through a requirements contracts; and

WHEREAS, the Health Care System's Operating Procedure No. 100-5 requires approval by the Board of Directors contracts of \$3,000,000 and above; and

WHEREAS, the Health Care System published a request for bids for professional GC services, bids received were publicly opened on September 16, 2015 and September 15, 2015, and the Health Care System determined that the selected Contractors are the lowest responsible bidders for these contracts; and

WHEREAS, the Contractors have met all, legal, business and technical requirements and are qualified to perform the services as required in the contract documents.

NOW, THEREFORE, be it

RESOLVED, the President of the NYC Health + Hospitals be and hereby is authorized to execute Job Order Contract (JOC) with two firms; MSR Electric; and ARCADIA Electrical Company, that were pre-qualified through the Health Care System's public bid process, to provide construction services on an as-needed basis at various facilities throughout the Health Care System. Each individual contract shall be for a term of two (2) years, for an amount not to exceed \$6,000,000. The total authorized to be spent under these contracts is \$12 Million.

EXECUTIVE SUMMARY

CONSTRUCTION SERVICES JOB ORDER CONTRACTS (JOC)

ELECTRICAL CONTRACTION SERVICES – MSR Electric AND ARCADIA ELECTRIC COMPANY

OVERVIEW: The Corporation seeks to execute two (2) Job Order Contracts for a term of two years each, for individual amounts not-to-exceed \$6,000,000, to provide professional electrical construction services on an as-needed basis at any NYC Health + Hospitals facility. The total authorized to be spent under these contracts is \$12 Million.

The method of requirements contract proposed starts with fixed prices for thousands of materials utilized in a typical construction project. The prices are derived from widely published construction reference works to which NYC Health + Hospitals subscribes that are updated at frequent intervals. The contractors awarded requirements contracts under the proposed resolution are later invited to submit proposals for particular projects. The requirements contractors submit proposals based upon acceptance of the fixed material prices and a multiplier based on such material costs to determine their labor cost proposals. For example, if a material to be installed is priced at \$10.00, and the contractor's labor multiplier to install that material is 1.0, the cost of that material and labor is \$10.00, inclusive of overhead and profit. If the multiplier is 1.2, then the cost of that material and labor is \$12.00, inclusive of overhead and profit.

This format has been used in previous NYC Health + Hospitals requirements contracts, and continues to be used by the New York City School Construction Authority, the Dormitory Authority of the State of New York State, the New York City Department of Design and Construction, the New York City Department of Environmental Protection, the United States Postal Services and others. The program was developed by the Department of Defense and has been in existence for more than twenty years.

NEED: The various facilities of the Health Care System are likely to require electrical contracting services that vary in frequency, size and urgency, which cannot be timely and cost effectively completed through a dedicated design, bid and award process.

TERMS: The construction services will be provided via a work order system within a two (2) year period, each for an amount not to exceed \$6,000,000.

COSTS: Not-to-exceed \$6,000,000 over two years, for each of the two (2) contracts for a total of \$12 Million.

FINANCING: Requirements contracts provide a pre-qualified approved mechanism for the health care system to access construction services. The facility establish funding sources such as capital funds from bond proceeds, grants or expense (Other Than Personnel Services - OTPS) funds.

SCHEDULE: Upon contract execution these contracts shall be in effect for two years or until funds are exhausted.

CONTRACT FACT SHEET
JOB ORDER CONTRACTING (JOC)
ELECTRICAL CONTRACTING SERVICES

MSR Electric

CONTRACT SCOPE: Electrical Contracting Services

CONTRACT DURATION: Two (2) years

CONTRACT AMOUNT: \$6,000,000

ADVERTISING PERIOD: Advertised in City Record August 27, 2015.

BIDS RECEIVED: 3 bid proposals received for consideration. MSR Electric was recommended as lowest responsive bidder.

HHC EXPERIENCE: This is the first contract between MSR Electric and NYC Health + Hospitals.

VENDEX: Pending.

EEO: Approved.

CONTRACT FACT SHEET
JOB ORDER CONTRACTING (JOC)
ELECTRICAL CONTRACTING SERVICES
ARCADIA ELECTRICAL COMPANY

CONTRACT SCOPE: Electrical Contracting Services

CONTRACT DURATION: Two (2) years

CONTRACT AMOUNT: \$6,000,000

ADVERTISING PERIOD: Advertised in City Record August 27, 2015

BIDS RECEIVED: 4 bid proposals received for consideration. Arcadia was recommended as lowest responsive bidder.

HHC EXPERIENCE: This is the first contract between Arcadia Electrical Company and NYC Health + Hospitals.

VENDEX: Pending.

EEO: Approved.

TO: Clifton S. Mc Laughlin
Sr. Management Consultant
Central Office – Office of Facilities Development

FROM: Gail Proto



DATE: December 2, 2015

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, Arcadia Electrical Co., Inc., has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): HHC City-Wide

Contract Number: 16-JOC-EL1

Project: Provide Electric Work Services

Submitted by: Office of Facilities Development

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

JOB ORDER CONTRACTS

STARTEC MECHANICAL

VOLMAR CONSTRUCTION

RESOLUTION

Authorizing the President of NYC Health + Hospitals (the "Health Care System") to execute Job Order Contracts (JOC) with two (2) firms: Startec Mechanical, LLC.; and Volmar Construction, Inc.; (the Contractors"), that were pre-qualified through the Health care system's public bid process, to provide construction services on an as-needed basis at various facilities throughout the Health Care System. Each individual contract shall be for a term of two (2) years, for an amount not to exceed \$6,000,000. The total authorized value of these contracts is \$12 Million.

WHEREAS, the facilities of the Health Care System may require professional construction services, such as, HVAC Contracting services; and

WHEREAS, the Health Care System has determined that such needs can best be met by utilizing outside firms, on an as-needed basis, through a requirements contracts; and

WHEREAS, the Health Care System's Operating Procedure No. 100-5 requires approval by the Board of Directors contracts of \$3,000,000 and above; and

WHEREAS, the Health Care System published a request for bids for professional GC services, bids received were publicly opened on September 16, 2015 and September 15, 2015, and the NYC Health + Hospitals determined that the Contractors are the lowest responsible bidders for these contracts; and

WHEREAS, the Contractors have met all, legal, business and technical requirements and are qualified to perform the services as required in the contract documents.

NOW, THEREFORE, be it

RESOLVED, the President of the NYC Health + Hospitals be and hereby is authorized to execute Job Order Contract (JOC) with two firms; Startec Mechanical, LLC., and Volmar Construction, Inc. that were pre-qualified through the Health Care System's public bid process, to provide construction services on an as-needed basis at various facilities throughout the Health Care System. Each individual contract shall be for a term of two (2) years, for an amount not to exceed \$6,000,000. The total authorized to be spent under these contracts is \$12 Million.

EXECUTIVE SUMMARY

CONSTRUCTION SERVICES JOB ORDER CONTRACTING (JOC)

MECHANICAL CONTRACTING SERVICES

STARTEC MECHANICAL LLC. AND VOLMAR CONSTRUCTION INC

OVERVIEW: The NYC Health + Hospitals seeks to execute two (2) Job Order Contracts for a term of two years each, for individual amounts not-to-exceed \$6,000,000, to provide professional mechanical construction services on an as-needed basis at any NYC Health + Hospitals facility. The total authorized to be spent under these contracts is \$12 Million.

The method of requirements contract proposed starts with fixed prices for thousands of materials utilized in a typical construction project. The prices are derived from widely published construction reference works to which the Health Care System subscribes that are updated at frequent intervals. The contractors awarded requirements contracts under the proposed resolution are later invited to submit proposals for particular projects. The requirements contractors submit proposals based upon acceptance of the fixed material prices and a multiplier based on such material costs to determine their labor cost proposals. For example, if a material to be installed is priced at \$10.00, and the contractor's labor multiplier to install that material is 1.0, the cost of that material and labor is \$10.00, inclusive of overhead and profit. If the multiplier is 1.2, then the cost of that material and labor is \$12.00, inclusive of overhead and profit.

This format has been used in previous NYC Health + Hospitals requirements contracts, and continues to be used by the New York City School Construction Authority, the Dormitory Authority of the State of New York State, the New York City Department of Design and Construction, the New York City Department of Environmental Protection, the United States Postal Services and others. The program was developed by the Department of Defense and has been in existence for more than twenty years.

NEED: The various facilities of the Health Care System are likely to require mechanical construction services that vary in frequency, size and urgency, which cannot be timely and cost effectively completed through a dedicated design, bid and award process.

TERMS: The construction services will be provided via a work order system within a two (2) year period, each for an amount not to exceed \$6,000,000.

COSTS: Not-to-exceed \$6,000,000 over two years, for each of the two (2) contracts for a total of \$12 Million.

FINANCING: Requirements contracts provide a pre-qualified approved mechanism for Networks to access construction services. The facility establish funding sources such as capital funds from bond proceeds, grants or expense (Other Than Personnel Services - OTPS) funds.

SCHEDULE: Upon contract execution these contracts shall be in effect for two years or until funds are exhausted.

CONTRACT FACT SHEET
JOB ORDER CONTRACTING (JOC)
MECHANICAL CONTRACTING SERVICES
STARTEC MECHANICAL, LLC.

CONTRACT SCOPE: Mechanical Contracting Services

CONTRACT DURATION: Two (2) years

CONTRACT AMOUNT: \$6,000,000

ADVERTISING PERIOD: Advertised in City Record August 27, 2015

BIDS RECEIVED: 6 bid proposals received for consideration. Startec Mechanical, LLC. was recommended as lowest responsive bidder.


HHC EXPERIENCE: This is the first contract between Startec Mechanical and NYC Health + Hospitals.

VENDEX: Approved.

EEO: Approved.

MEMORANDUM

To: Clifton Mc Laughlin
Office of Facilities Development

From: Karen Rosen 
Assistant Director

Date: December 3, 2015

Subject: VENDEX Approval

For your information, on December 3, 2015 VENDEX approval was granted by the Office of Legal Affairs for the following company:

Startec Mechanical LLC

cc: Norman M. Dion, Esq.

TO: Clifton S. Mc Laughlin
Sr. Management Consultant
Central Office – Office of Facilities Development

FROM: Gail Proto *G.P.*

DATE: December 2, 2015

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, Startec Mechanical LLC, has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): HHC City-Wide

Contract Number: 16-JOC-HV1

Project: Provide HVAC Services

Submitted by: Office of Facilities Development

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

CONTRACT FACT SHEET
JOB ORDER CONTRACTING (JOC)
MECHANICAL CONTRACTING SERVICES
VOLMAR CONSTRUCTION, INC

CONTRACT SCOPE: Mechanical Contracting Services

CONTRACT DURATION: Two (2) years

CONTRACT AMOUNT: \$6,000,000

ADVERTISING PERIOD: Advertised in City Record August 27, 2015

BIDS RECEIVED: 4 bid proposals received for consideration. Volmar was recommended as lowest responsive bidder.

HHC EXPERIENCE: \$3,000,0000 Requirements Contract for services at Various Facilities, 2013 - 2015.

VENDEX: Pending.

EEO: Approved.



31311C

Gail Proto
Senior Director
Affirmative Action/EEO
160 Water Street, 13th Floor
New York, NY 10038
Gail.Proto@nychhc.org
Tel: 212-788-3383

TO: Clifton S. Mc Laughlin
Sr. Management Consultant
Central Office – Office of Facilities Development

FROM: Gail Proto *G.P.*

DATE: December 2, 2015

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, Volmar Construction, Inc., has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): HHC City-Wide

Contract Number: 16-JOC-HV1

Project: Provide HVAC Services

Submitted by: Office of Facilities Development

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

SUBLEASE AGREEMENT

COMUNILIFE INC.

WOODHULL MEDICAL & MENTAL HEALTH CENTER

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a 99 year sublease (including tenant renewal options) with Comunilife, Inc. or an affiliate formed for the transaction (the "Tenant"), of a parcel of approximately 13,000 square feet within the parking lot of Woodhull Medical and Mental Health Center (the "Facility") to be used for the development of a six story building with 89 studio apartments including 36 for low income individuals and 53 for low income individuals living with mental illness who are appropriate for independent living in the community at an annual rent of \$75,000.

WHEREAS, pursuant to a New York State Office of Mental Health ("NYSOMH") Request-for-Proposals, the Tenant shall develop housing for adults living with mental illness; and

WHEREAS, NYSOMH has identified the Facility's patients as a priority population for this type of program; and

WHEREAS, the Tenant is a leader in the provision of supportive housing, community-based and multicultural mental health services, and rehabilitation social services; and

WHEREAS, NYC Health + Hospitals and the Tenant shall, consistent with NYSOMH regulatory restrictions, establish protocols allowing for the referral to the Tenant of the Corporation's patients who qualify for the Tenant's programs; and

WHEREAS, the individuals with mental illness who are to live in the building shall be screened to ensure that they are suitable for independent living in the community; and

WHEREAS, a Public Hearing was held on January 7, 2016, in accordance with the requirements of the Corporation's Enabling Act; and

WHEREAS, prior to lease execution, the proposed sublease is subject to the approval of the City Council and the Office of the Mayor.

NOW, THEREFORE, be it

RESOLVED, that the President of New York City Health and Hospitals Corporation be and he hereby is authorized to execute a 99 year sublease (including tenant renewal options) with Comunilife, Inc. or an affiliate formed for the transaction of a parcel of approximately 13,000 square feet within the parking lot of Woodhull Medical and Mental Health Center to be used for the development of a six story building with 89 studio apartments including 36 for low income individuals and 53 for low income individuals living with mental illness who are appropriate for independent living in the community at an annual rent of \$75,000.

EXECUTIVE SUMMARY

SUBLEASE AGREEMENT WOODHULL MEDICAL AND MENTAL HEALTH CENTER COMUNILIFE, INC.

OVERVIEW:

The President seeks authorization from the Board of Directors to execute a sublease with Comunilife, Inc. (the "Tenant"), for 13,000 square feet of land now being used as part of the parking lot for Woodhull Medical and Mental Health Center ("Woodhull") for the development of a six-story building containing 89 studio apartments including 36 for low income individuals and 53 for low income individuals living with mental illness who are appropriate for independent living in the community. The Tenant will also provide social services for the residents of the building. It is anticipated that many of the residents with mental illness will be referred to the project by the Woodhull.

NEED/ PROGRAM:

Pursuant to a New York State Office of Mental Health (the "NYSOMH") Request-for-Proposals (RFP), Comunilife shall develop housing for low income adults including those living with mental illness. Comunilife is a leader in the provision of multicultural community-based mental health services, rehabilitation social services, and housing. Comunilife has been recognized for developing local best practices which incorporate the cultural values of immigrant patients receiving health and mental health services.

Comunilife shall have the use and occupancy of an approximately 13,000-square-foot parcel of land on Woodhull's campus. Comunilife shall develop a six-story building containing approximately 29,000 square feet of floor areas containing 89 studio apartment for low income adults of which 53 will be adults living with mental illness. Comunilife shall be responsible for all costs associated with the construction of the building and the development and operation of the housing program.

NYC Health + Hospitals shall establish protocols, consistent with NYSOMH regulatory restrictions, for the referral to Comunilife of patients discharged from NYC Health + Hospitals facilities, including especially Woodhull, and for Comunilife's acceptance of such patients who qualify who are appropriate for independent living in the community and Comunilife's residential programs.

TERMS:

The base rent shall be at \$75,000 per year.

**SUMMARY OF ECONOMIC TERMS
SUBLEASE AGREEMENT
WOODHULL MEDICAL AND MENTAL HEALTH CENTER
COMUNILIFE, INC.**

- SITE:** Woodhull Medical and Mental Health Center
760 Broadway
Borough of Brooklyn
- SIZE:** Approximately 13,000 square feet
- RENT:** \$75,000 per year.
- UTILITIES:** The Tenant shall be responsible for the cost of all utilities provided to the Demised Premises.
- MAINTENANCE:** The Tenant shall take good care of the Demised Premises, the curbs in front of, or adjacent to, the Premises, water sewer and gas connections, pipes and mains, and shall keep the Premises in good and safe order and condition, and shall make all repairs, interior and exterior, structural and nonstructural necessary to keep the Premises in good and safe order and condition.
- SECURITY:** The Tenant shall be responsible for providing its own security for the Demised Premises.
- PREMISES:** The Tenant shall have the use and occupancy of a parcel of vacant land on the Facility's campus measuring approximately 13,000 square feet. The Tenant shall develop a six-story building containing 50 service-enriched studio apartments for adults living with mental illness.
- CONSTRUCTION:** The Tenant shall be responsible for all costs associated with the construction of the building and the development and operation of its housing program.
- MAINTENANCE:** The Tenant shall take good care of the Premises, the curbs in front of, or adjacent to, the Premises, water sewer and gas connections, pipes and mains, and shall keep the Premises in good and safe order and condition, and shall make all repairs, interior and exterior, structural and nonstructural necessary to keep the Premises in good and safe order and condition.
- The Tenant shall keep clean and free from dirt, snow, ice, rubbish, obstructions and encumbrances the sidewalks, grounds, parking facilities, plazas, common areas, vaults, chutes, sidewalk hoists, railings, gutters, alleys, curbs or any other space in front of, or adjacent to, the Premises.
- INDEMNITY:** Comunilife shall indemnify NYC Health + Hospitals and the City of New York and shall provide adequate insurance covering all liability arising from its use and occupancy of the Premises, naming NYC Health + Hospitals and the City of New York as additional insured parties.