

AGENDA ITEM

Meeting Date: 2/15/2023 - 5:30 PM

Category: SCHOOL FACILITIES MANAGEMENT





Type: Action

Subject: 15.6 Authorization to Amend a General Fund Lease Agreement with Hampshire Management Company, LLC

District Goals:

Enclosure:

File Attachment:

-  BOCS HAMPSHIRE.xlsx
-  Lease DOC 2-3-23.pdf
-  Exhibits to Lease.pdf
-  RES 17.5 AUG 17 2022.pdf

Rationale: By Resolution 17.5 dated August 17, 2022 the Board of Education authorized the Superintendent of Schools to enter into a Lease Agreement with Hampshire Management Company, LLC as landlord for 22,638 square feet of warehouse space at 60 Fullerton Avenue, Yonkers NY for use by the School Facilities and Food Services Departments. This space is contiguous with 25,000 square feet already being rented by the City of Yonkers for its Record Retention Center, Print Shop, Mayor’s Call Center and the 911 Call Center.

This resolution is to cover changes to the original draft lease agreement and to submit the revised lease received from Corporation Counsel on February 3, 2023.

The initial contract term of the Hampshire Management lease will be 10 years plus two optional 5-year renewals. Rent will start at \$24,993.13 per month or \$299,953.50 per annum increasing annually at 3%.

The Cost of Improvements (COI) by the Landlord is roughly \$1.454+/- million. This includes but is not limited to four (4) new walk-in refrigeration units for food services, office cubicles, HVAC systems, fire suppression & fire alarms, general construction work systems and shelving.

This will be paid with a lump sum of \$204,000.00 for the refrigeration units and the remaining \$1.25+/- million is to be amortized over 5 years as “additional rent” at a cost of \$250,000 +/- per year.

Rent and “additional rent” payments are to be deferred until the start of fiscal year 2023-24.

There will be no rent carry over costs during the move which was originally budgeted at \$220,000.00.

Funding: 450.5304.100000.9750.B2600 \$1,203,500.00 Principal
 450.5304.100000.9750.B2700 \$246,500.00 Interest

Account: 130.5999.B21N01.1000.B2050
 Project: B5150CN110861.B20000A1620 \$204,000.00

Sponsored By:

John P. Carr
Executive Director
School Facilities Management

Resolution

Ladies and Gentlemen:

WHEREAS: The Yonkers Board of Education is in need of secure and modern warehouse facilities to optimize Food Services and Building & Grounds operations, and

WHEREAS: Such space has been identified at 60 Fullerton Avenue in Yonkers, a building already housing the City of Yonkers Records Retention Center, City Print Shop, Mayor’s Call Center and the 911 Call Center, and

WHEREAS: An acceptable lease has been negotiated with Hampshire Management Company, LLC (Landlord) at \$13.25 per square foot increasing at 3% per annum for 22,638 square feet of space, and

WHEREAS: The term shall be for 10 years with the option of two 5-year renewals, and

WHEREAS: Fit-out of the space is required to be completed as Cost of Improvements (COI) by the Landlord at a cost of \$1.45 million, and

WHEREAS: Payment of the fit-out is to be by one lump-sum payment of \$204,00.00 and the balance of \$1.25 million is to be paid as COI paid over the initial 60 months of the lease for \$250,000.00 per year,

WHEREAS: All terms are detailed in the Lease Agreement pending signature and dating.

NOW THEREFORE BE IT RESOLVED: That the Superintendent of Schools is hereby authorized to enter into a lease agreement with Hampshire Management Company, LLC as landlord for 22,638 square feet of warehouse space at 60 Fullerton Avenue, Yonkers NY for use by the School Facilities and Food Services Departments at a cost of \$24,993.99 per month or \$299,927.88 per annum, increasing annually at 3%.

AND BE IT FURTHER RESOLVED: The Cost of Improvements by the Landlord is to be by one lump-sum payment of \$204,00.00 and the balance of \$1,250,000.00 is to be paid as COI paid over the initial 60 months of the lease for \$250,000.00 per year paid to Hampshire Management Company, LLC, 969 Midland Avenue, Yonkers NY 10704.

Approvals:

Recommended By:

Signed By:



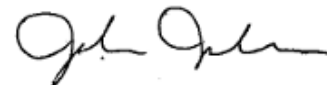
John Carr - Executive Director

Signed By:



Tom Collich - Purchasing Director

Signed By:



Finance Department - Finance Reviewer

Signed By:



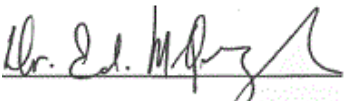
Elizabeth Janocha - Deputy Commissioner

Signed By: 

John Liszewski - Commissioner

Signed By: 

Matthew Gallagher - Corporation Counsel

Signed By: 

Dr. Edwin M. Quezada - Superintendent of Schools

Vote Results:

Original Motion

Member **Kevin Cacace** Moved, Member **Gail Burns** seconded to approve the **Original** motion 'Ladies and Gentlemen:

WHEREAS: The Yonkers Board of Education is in need of secure and modern warehouse facilities to optimize Food Services and Building & Grounds operations, and

WHEREAS: Such space has been identified at 60 Fullerton Avenue in Yonkers, a building already housing the City of Yonkers Records Retention Center, City Print Shop, Mayor's Call Center and the 911 Call Center, and

WHEREAS: An acceptable lease has been negotiated with Hampshire Management Company, LLC (Landlord) at \$13.25 per square foot increasing at 3% per annum for 22,638 square feet of space, and

WHEREAS: The term shall be for 10 years with the option of two 5-year renewals, and

WHEREAS: Fit-out of the space is required to be completed as Cost of Improvements (COI) by the Landlord at a cost of \$1.45 million, and

WHEREAS: Payment of the fit-out is to be by one lump-sum payment of \$204,00.00 and the balance of \$1.25 million is to be paid as COI paid over the initial 60 months of the lease for \$250,000.00 per year,

WHEREAS: All terms are detailed in the Lease Agreement pending signature and dating.

NOW THEREFORE BE IT RESOLVED: That the Superintendent of Schools is hereby authorized to enter into a lease agreement with Hampshire Management Company, LLC as landlord for 22,638 square feet of warehouse space at 60 Fullerton Avenue, Yonkers NY for use by the School Facilities and Food Services Departments at a cost of \$24,993.99 per month or \$299,927.88 per annum, increasing annually at 3%.

AND BE IT FURTHER RESOLVED: The Cost of Improvements by the Landlord is to be by one lump-sum payment of \$204,00.00 and the balance of \$1,250,000.00 is to be paid as COI paid over the initial 60 months of the lease for \$250,000.00 per year paid to Hampshire Management Company, LLC, 969 Midland Avenue, Yonkers NY 10704.'. Upon a Roll-Call Vote being taken, the vote was: Aye: **8** Nay: **0**.
The motion **Carried 8 - 0**

Rev. Steve Lopez	Yes
Kevin Cacace	Yes
Dr. Rosalba Corrado Del Vecchio	Yes
Dr. John Castanaro	Yes
Gail Burns	Yes

Sheila Greenwald	Yes
Rosemarie Linton	Yes
Lawrence Sykes	Yes