

CAPITAL COMMITTEE
MEETING AGENDA

December 1, 2015

12:00 PM

125 Worth Street, Room 532
5th Floor Board Room

CALL TO ORDER

Emily A. Youssouf

- ADOPTION OF MINUTES November 12, 2015

Emily A. Youssouf

- SENIOR ASSISTANT VICE PRESIDENT'S REPORT

Roslyn Weinstein

ACTION ITEMS

- **Resolution**

Caswell Samms

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 Morrisania, a Gotham Health Center (the "Facility") 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.

- **Resolution**

LaRay Brown

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.

INFORMATION ITEMS

- Energy Presentation

OLD BUSINESS

NEW BUSINESS

ADJOURNMENT

CAPITAL COMMITTEE MEETING MINUTES

November 12, 2015

MINUTES

Capital Committee

Meeting Date: November 12, 2015

Time: 11:00 A.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:

Jawwad Ahmad – Director, Office of Facilities Development

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

Mahendranath Indar – Senior Director, Office of Facilities Development

Jonathan Goldstein – Senior Consultant, Corporate Planning

Elizabeth Guzman – Corporate Comptroller's Office

Louis Iglhaut – Assistant Vice President, Office of Facilities Development

Mahendranath Indar – Senior Director, Office of Facilities Development

John Jurenko – Senior Assistant Vice President, Intergovernmental Relations

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

Mohammad Sharafi – WIC Director, Coney Island Hospital

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

Roger Zhu – Senior Associate Director, Metropolitan Hospital Center

Other Attendees:

Henry Lukacik – New York City Department of Information Technology and Telecommunications (DoITT)

John Pasicznyk – Dormitory Authority of the State of New York (DASNY)

Daljeet Sandhu – Dormitory Authority of the State of New York (DASNY)

CALL TO ORDER

The meeting was called to order by Emily A. Youssouf, Chair, Capital Committee, at 11:04 A.M.

On motion, the Committee voted to adopt the minutes of the September 17, 2015, Capital Committee meeting, with the more thorough overview of comments made by Josephine Bolus, RN, regarding the Dental Clinic at Kings County Hospital Center. The minutes reflected Mrs. Bolus's inquiry about plans for the site and the effort to find funding for renovations, but did not document her statements about the inadequate space that the clinic was housed in. In addition to her comments about the size of the clinic, Mrs. Bolus expressed concern about the long wait time for appointments, sometimes up to two months, and that patients were at times required to schedule only a single filling at a time, because the site couldn't accommodate the needed services.

SENIOR ASSISTANT VICE PRESIDENT'S REPORT

Roslyn Weinstein, Senior Assistant Vice President, Operations, advised that she had a few informational items to discuss. She first shared the Federal Emergency Management Agency (FEMA) project dashboard, which tracks progress of the ongoing FEMA work taking place. She said that the dashboard would be shared monthly. Ms. Weinstein explained that the notation regarding the Metropolitan Hospital Center environmental assessment had already moved forward to completed status. Mark Page, asked who managed the environmental assessment. Ms. Weinstein said that the NYC Health + Hospitals posts the assessments and is responsible for responding to any questions or concerns that come forward. Ramanthan Raju, MD, President, added that a division within FEMA mandated that a public posting take place. Ms. Weinstein said yes, we had to do them for any hospital that required work where we would be digging into the ground.

Ms. Youssouf asked about the status of the Memorandum of Understanding on the dashboard. Ms. Weinstein said that the document was being drafted by the legal departments at the NYC Health + Hospitals, and the Economic Development Corporation (EDC). She advised that the document was still pending as both parties awaited execution of the Project Labor Agreement (PLA).

Mr. Berman explained that the MOU was between the NYC Health + Hospitals, the City of New York, and the EDC, and the New York City Office of Management and Budget (OMB) was also a signatory. The document established the governing flow of FEMA funds thorough the City to NYC Health + Hospitals, and the role of the EDC as the "implementing" agency. He advised that the MOU was virtually complete, but awaiting execution of the one document, the PLA, prior to final execution. Ms. Weinstein said that an outside group was reviewing the PLA, and it would hopefully be completed in the coming weeks, but in the meantime although status for that document was behind schedule, in yellow, it was not holding up any other part of the project.

Ms. Youssouf asked why the color had changed from green to yellow. Ms. Weinstein said because the team had forecasted full execution of that document by a certain date and it had not met that date. However, in this instance there were no repercussions. All other parts of the projects were moving forward, as scheduled, unaffected.

Mr. Page asked what company was reviewing the PLA. Ms. Weinstein said that in order to execute the PLA, a third party evaluation needed to be completed to show how NYC Health + Hospitals would incur

savings and time benefits. Ms. Youssouf asked which company was doing that. Mr. Berman said LiRo Program and Construction Management. He explained that they had played that role with other City agencies as it was a necessary part of the process in order to demonstrate that there would be no cost to adopting a PLA. Mr. Page asked if they had ever said no to a PLA. Mr. Berman said probably not, but the big savings are fairly certain. If you don't have the danger of strikes and work stoppages and are able to coordinate the work of the various prime contractors under one single entity that is a significant savings. However, the process is formal and planned projects are studied to reflect a projected savings. Ms. Youssouf added that a concern wouldn't be the denial of the PLA as much as the debate back and forth with legal representation, which has happened at other agencies as well, and delays execution. Mr. Berman agreed, adding that the PLAs were subject to legal challenge which was why it was important to have the study on file.

Mr. Page asked if the PLA was a legal way around the Wicks Law. Ms. Youssouf said a PLA could result in cheaper wages. Ms. Weinstein explained there would be a regulation going before the State that would disallow using the Health + Hospitals requirements contracts were a PLA not in place. LaRay Brown, Senior Vice President, Corporate Planning and Community Health, added that legislation was presented at a recent legislative session that City agencies, including Health + Hospitals, be included in the PLA option. Ms. Youssouf asked if that had passed. Ms. Brown said no. So, Ms. Youssouf said, we should be doing this anyway, but that legislative requirement, if/when it is passed will make it necessary.

Mrs. Bolus asked which groups were part of the PLA. Mr. Berman said Health + Hospitals and representatives from all the construction trades. Mrs. Bolus asked how this would be a shortcut. Ms. Youssouf explained that it would allow us to use pre-qualified firms. Mrs. Bolus asked what would happen if two or three group members said no. Mr. Berman said we had been ensured that it all would go through. Ms. Weinstein added that the trades were looking forward to it.

Mr. Page asked what legislation was pending. Mr. Berman said there was a piece of legislation pending that would disallow the use of requirements contracts were they not operating under a PLA.

Mrs. Bolus asked what problems may present themselves once the PLA was executed. Ms. Brown said that if the legislation were signed, the PLA being in place would provide protection to Health + Hospitals. Mr. Page asked if this would force the use of PLAs for all work and whether that would be beneficial. Mr. Berman said yes we would probably use PLAs for everything and that would be good.

Mrs. Youssouf said, it is in fact a work around to the Wicks Law, but the unions are on board and not in danger of being offended.

Mrs. Bolus asked how long we would use the PLA and for what. Mr. Berman said this was a five year agreement, similar to those signed by other City agencies, and would be used on all capital projects moving forward.

Ms. Youssouf asked about status of the Coney Island Hospital Project Worksheet (PW), as displayed on the dashboard. Ms. Weinstein advised that the PW was approved as submitted and required an amendment, as anticipated, and that approval had not come forth yet. There had been assurances that it would come forward, it just hadn't happened yet.

Ms. Weinstein explained that the design procurement item that reflected a delay was also slightly behind schedule, not affecting movement forward, but slightly past the originally anticipated date.

Ms. Youssouf asked whether an architectural firm had been selected. Ms. Weinstein said yes, through an RFP, the firm had been selected.

Dr. Raju advised that there was some internal discussion going on but there was general agreement that it would be approved in time.

Ms. Youssouf asked if any design procurement had begun with regards to Bellevue. Ms. Weinstein said no, explaining that scope needed to be clarified. We do not want to initiate a design team without a clearly defined and agreed upon scope.

Dr. Raju advised that there was some discussion as to whether Bellevue would be building its own wall, while neighboring sites built their own walls, or whether the community would come together and build one wall.

Mrs. Bolus asked whether there was concern that water hitting flood walls would bounce back onto other sites. Ms. Weinstein said that issue had been brought up and is part of ongoing discussions and design ideas.

Ms. Youssouf was pleased to see the document, said it was quite helpful, and looked forward to projects moving forward.

Mr. Page asked whether plans considered the possible need to pump water out from behind the walls. Louis Iglhaut, Assistant Vice President, Office of Facilities Development, advised that ground seepage would occur and need to be pumped out, and that would be coordinated. Ms. Weinstein explained that all these concerns were being studied and that was why the design was very important and the group was taking its time on finalizing.

Ms. Weinstein introduced the next informational topic, the Mayoral Initiative for Caring Neighborhoods, for which Health + Hospitals would be building and expanding primary care clinic services within local communities. Ms. Youssouf asked if this was solely a Mayoral initiative or also part of growing community health focus. Ms. Weinstein said yes, making services more community based, less hospital focused. Lillian Barrios Paoli explained that the Mayor had announced that he would create 16 clinics within underserved neighborhoods.

Mrs. Bolus noted that the Canarsie neighborhood had not benefited, and that surprised her. Ms. Brown explained that a number of factors contributed to those decisions; income demographics, incidence of avoidable hospitalization, proportion of uninsured, and more, and studies brought forth sixteen communities that needed increased services. Ms. Brown said she and her staff had reviewed and updated that data and Canarsie, as a neighborhood, had still not made it onto the in-need list.

Ms. Youssouf asked why in some neighborhoods there were multiple locations being added. Ms. Brown said that some of the neighborhoods were severely underprovided with primary care. She explained that the process for determining new sites included what services were missing, so those sites may offer different types of services.

Ms. Youssouf asked for clarification on new sites, because the list appeared to show no new sites. Ms. Brown said that there were a few locations that were brand new, the leased sites, for instance.

Ms. Youssouf asked that the Committee be provided with ongoing updates, and that it be more clearly defined as to what is new and what is existing. Ms. Brown said she would provide that to Ms. Weinstein and would also include a description of services at those sites.

Ms. Youssouf asked if the Greenpoint clinic site was on the list. Mr. Martin said no, we are exploring leaving that site. Mr. Berman said litigation with the landlord was underway, but noted that the third floor space was completed. Mrs. Bolus said that the third floor space was not adequately accessible. Mr. Martin said he would personally visit the site.

Dr. Raju noted that these services were all expanded, new services, and not the same service as before, regardless of the existing locations. Ms. Brown said she understood and would assist in providing a document that more clearly explained everything.

Mrs. Bolus asked if medical professionals would be rotated between the new sites, to provide more services in various locations. Ms. Brown said that would be determined based on what the sites could accommodate. If not on site, there would be referrals to the neighboring Health + Hospitals facilities for expanded services. These sites would be principally primary care, with some expanded behavioral health services.

Mrs. Bolus asked if any of the sites were to provide dental services. Mr. Martin said there would be one. Ms. Brown added that there was one site that had space and would be outfitted for that. She expanded to say that the Economic Development Corporation (EDC) would be working outside of HHC, by issuing Requests for Proposals (RFPs) to create additional sites. When those proposals came back, we would meet with them to ensure that we are not duplicating services, but there may or may not be dental services in those unknown, non-Health + Hospital sites.

Ms. Youssouf asked if those other sites would refer to Health + Hospitals facilities. Ms. Brown said some would, but not all.

Mr. Page said that it was clear that resources had been spent on our end to plan appropriately and educate on the front end and asked that this same practice be used moving forward. He recommended that communication keep flowing and that we keep alert to the utilization at the sites. Dr. Raju agreed. He said it is important that we keep aware of the community and patients, at all times. Mr. Page said yes, neighborhoods are dynamic, so we should be too.

Ms. Weinstein announced that a Domestic Violence Family Justice Center was being created at Harlem Hospital Center, in an existing space, to help combat domestic violence, with plans to establish a site at Kings County Hospital as well. She said these projects would be fully funded by the City of New York, and she would provide more information as things moved forward.

Ms. Weinstein advised that Communilife was looking to build a new special needs housing development on the Woodhull Hospital campus, providing 89 studio apartments, 53 of which would be designated for Woodhull patients. Ms. Youssouf noted that the housing was for special needs individuals

and therefor would negate the impact that some new Fair Housing Act regulations were having on other development projects.

Ms. Weinstein explained that the Draper Hall II project would soon begin. Ms. Brown said there would be 132 units in total.

Mrs. Bolus asked if the apartments were all lottery based. Ms. Brown said yes, at the Draper Hall site. However, the special needs units, at the Communilife site, will not be lottery. Those individuals would have to meet income requirements but otherwise would be identified by Woodhull staff as to whether they were able to live in the community with local support only.

Mrs. Bolus asked if any of the previously displaced individuals from Goldwater Hospital would be moving into the sites. Ms. Brown said not at the Communilife site in Brooklyn, but there was some space becoming available in the East 99th Street units. All Health + Hospitals facilities feed into those apartments.

Lastly, Ms. Weinstein introduced Marcus Lewis, Energy Analyst, Office of Facilities Development, who had recently received an award for New York City Energy Analyst of the year. She explained that Mr. Lewis discovered that Health + Hospitals was being billed for utility costs in buildings we no longer occupied, in addition to his hard work on other on-going energy projects. The Committee and the audience applauded Mr. Lewis and his notable work.

That concluded Ms. Weinstein's report.

ACTION ITEMS

- **Authorizing the President of the New York City Health + Hospitals ("H+H") to execute a five year lease agreement including one five year option with Harlene Realty Corporation (the "Landlord") for approximately 600 square feet of ground floor space at 2101 Mermaid Avenue, Borough of Brooklyn, to house the Women, Infants and Children Program (the "WIC Program") operated by Coney Island Hospital (the "Facility") at a rate of \$16.66 per square foot, or \$9,996 per year to be escalated by 2.25% per year for a total rent amount over the five year initial term of \$52,280.**

Dan Collins, Director, Coney Island Hospital Center, read the resolution into the record on behalf of Arthur Wagner, Executive Director, Coney Island Hospital Center. Mr. Collins was joined by Mohammad Sharafi, WIC Director, Coney Island Hospital.

Ms. Youssouf asked if the agreement included all utilities. Mr. Sharafi said yes.

Ms. Youssouf asked if this was an existing site. Mr. Collins said it was a new site. Ms. Weinstein added that the site was very near the Ida Israel Clinic.

Mr. Page asked how much staff would be needed for the site. Mr. Sharafi said there would be three to four staff to start and eventually four to five. There would be six rooms and a case load of 1,500 was anticipated. He explained that the caseload at the facility WIC program was expected to be 3,500 but was currently operating at 5,000.

There being no 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 + Hospitals ("H+H") to execute an amendment to the existing Memorandum of Understanding ("MOU") with the New York City Department of Information Technology and Telecommunications ("DOITT") that permits the installation and maintenance of communication equipment at eight of the Corporation's facilities required for the operation of the City-wide Radio Network at no cost to DOITT to both expand the list of facilities at which DOITT equipment is sited to include Harlem Hospital Center, Metropolitan Hospital Center and Sea View Hospital Rehabilitation Center and Home (the "Facilities") and to expand the area at several Facilities for DOITT to use and the type of equipment to be installed and maintained.**

Dion Wilson, Director, Office of Legal Affairs, read the resolution into the record. Mr. Wilson was joined by Henry Lukacik, Director of Operations, Department of Information Technology and Telecommunications.

Mr. Page asked how many square feet were being leased. Mr. Lukacik said that the shelters (equipment rooms) were typically 25 feet by 10 feet wide with corresponding antennae located on the rooftops. Services support emergency personnel and public safety City agencies.

Mr. Page stated that he had the ongoing concern about providing space at no fee to other agencies. Ms. Youssouf said she was aware and it was a concern for all members of the Committee.

There being no 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

- **DASNY Update: Gouverneur Major Modernization**

John Pasicznyk, Managing Director, Downstate Operations, Dormitory Authority of the State of New York (DASNY), provided a brief presentation.

Mr. Pasicznyk advised that all floors and spaces within the existing facility had been completed and occupied, and the Department of Buildings (DOB) fully inspected the site in mid-August. He said there remained some open Local Law 11 items that the facility was completing, and some ongoing work related to elevators.

Mr. Pasicznyk explained that the Linde Gas system was almost ready but a current moratorium on crane work temporarily delayed that installation. He noted that three passenger elevators were completed a while back but there were some delays related to electrical connection work on freight elevators. As a result of the design being completed long ago, when the elevators were installed there was conflict. It took a while to resolve those differences but they had been resolved, with the remaining two freight elevators

being connected to a separate transformer. Once that was done, the renovation of those two elevators would be complete. He said that in the meantime there had only been one elevator available at a time. Those, he advised, were the two remaining pieces of work.

With regards to the budget, Mr. Pasicznyk explained that the budget had not changed since last presented, some funding had been cut back in fact. The scope would be completed and projects were being closed out. Remaining work was solely related to Linde Gas and elevators, as discussed.

Ms. Youssouf asked if Local Law 11 work was being completed by DASNY. Mr. Pasicznyk said no, the facility is performing that work.

Mr. Martin asked if all the passenger elevators were complete. Mr. Pasicznyk said yes. It was freight elevators being worked on.

Mrs. Bolus asked for an explanation of Local Law 11 work. Mr. Iglhaut explained that New York City law required that building façades be maintained and safe. Mrs. Bolus said she understood.

Ms. Youssouf said she looked forward to completion of the project and an end to the reports.

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

LEASE AGREEMENT

**850 LONGWOOD AVENUE
HOUSING DEVELOPMENT FUND CORPORATION**

**MORRISANIA
GOTHAM HEALTH CENTER**

RESOLUTION

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 Morrisania, a Gotham Health Center (the "Facility") 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.

WHEREAS, pregnant, breastfeeding and postpartum women, infants and children less than five years of age who are determined to be at nutritional risk are eligible for WIC Program services which include nutrition education and counseling, breastfeeding support, high risk counseling, social service referrals and issuance of vouchers to purchase specific, nutritious foods through the retail market; and

WHEREAS, the Facility has been operating a WIC Program at this location since 2007 and the New York State Department of Health ("NYSDOH") has provided a grant which will allow the program to continue to provide services to the community.

NOW, THEREFORE, be it

RESOLVED, that the President of NYC Health + Hospitals Corporation (the "Health care system") be and hereby is authorized 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 Morrisania, a Gotham Health Center (the "Facility") 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.

EXECUTIVE SUMMARY

LEASE AGREEMENT

Special Supplemental Nutrition Program for WOMEN, INFANTS AND CHILDREN (WIC Program)

MORRISANIA, A GOTHAM HEALTH CENTER

OVERVIEW: The President seeks authorization from the Board of Directors to execute a five year lease agreement with 850 Longwood Avenue Housing Development Fund Corporation (the "Landlord") for 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 Morrisania, a Gotham Health Center ("Morrisania").

**NEED/
PROGRAM:** Pregnant, breastfeeding and postpartum women, infants and children less than five years of age who are determined to be at nutritional risk are eligible for WIC Program services which include nutrition education and counseling, monitoring children's growth rates, breastfeeding support, high risk counseling, social service referrals, and issuance of specific nutritious foods via a voucher system. In order to qualify for the program, the applicant must be categorically and residentially eligible, and must also be low income and at nutritional risk. The New York State Department of Health ("NYSDOH") has selected Morrisania to receive grant funding which will allow the program to continue to provide services to the community. The WIC program has been at located at this location since 2007, operating as a subtenant of Montefiore Medical Center. The new agreement will be a direct lease with the landlord. The rent for the first year of the initial term will be \$50,000 per year, or \$22.72 per square foot, an increase of 35% above the current rent of \$37,000 per year.

UTILIZATION: The caseload is 2,000 participants at this site.

TERMS: The tenant will have use and occupancy of approximately 2,200 square feet of space on the ground floor. The initial term of the lease will be five years. The base rent will be \$22.72 per square foot or approximately \$50,000 per year. The base rent will be escalated by 2% per year during the initial term. The lease will contain one five-year option to renew exclusive to the tenant. The landlord will provide heat, electricity, water, sewer and housekeeping.

The landlord will be responsible for all interior and exterior structural repairs including maintenance, repair, or replacement of the roof, infrastructure, plumbing, electrical and existing HVAC systems (repairs to the plumbing and electrical mains to be at the point of entry to the premises only). The tenant will be responsible for internal and non-structural repairs not involving the building's mechanical systems including repair and replacement of plumbing and plumbing fixtures.

FINANCING: NYSDOH grant will cover rent and operating expenses.

SUMMARY OF ECONOMIC TERMS

SITE: 850 Longwood Avenue
Borough of the Bronx
Block 2688, Lot 48

LANDLORD: 850 Longwood Avenue Housing Development Fund Corporation

SIZE: 2,200 square feet

INITIAL TERM: Five years

OPTION: One five-year option at 95% of fair market value

RENT: \$22.72 per square foot or \$50,000 per year.

	Year 1	Year 2	Year 3	Year 4	Year 5
Rent PSF	\$22.72	\$23.18	\$23.65	\$24.12	\$24.60
Annual Rent	\$50,000	\$51,000	\$52,020	\$53,060	\$54,122

ESCALATION: 2% per year

**REPAIRS/
MAINTENANCE:** The landlord is responsible for structural exterior and interior maintenance and repairs. The tenant is responsible for interior non-structural maintenance and repairs.

UTILITIES: Utilities including electricity, gas, water, sewer will be provided by the Landlord.

**REAL ESTATE
TAXES:** The tenant is responsible for payment of its proportionate share of real estate tax increases above the 2015/16 base year.

SAVITT PARTNERS

November 24, 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: 805 Longwood Avenue, Bronx, NY 10459
Block: 2688, Lot: 48

Dear Dion:

As we discussed, the proposal from the building's Landlord, 850 Longwood Avenue Housing Development Corporation, for the Tenant, New York City Health & Hospitals Corporation WIC program, to occupy approximately 2,200 SF on the Ground Floor is fair and reasonable. The rent of \$50,000 per annum, \$22.72 on a net basis, is at market; however, HHC as Tenant further benefits from the fact that you are not being charged for electrical service (which we estimate to be approximately \$2.45/SF) or water consumption (which is often charged at approximately \$100/month).

The escalation of 2% per annum compounded is also fair and reasonable, and is consistent or below current market conditions. The range is 2% to 2.75% in today's market.

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

Very truly yours,



Michael Dubin
Partner

LICENSE AGREEMENT

NEW YORK CITY DEPARTMENT OF HEALTH AND
MENTAL HYGIENE (DOHMH)

NYC HEALTH + HOSPITALS

RESOLUTION

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.

WHEREAS, NYC Health + Hospitals currently uses the spaces in all but one of the DOHMH Sites to provide the ambulatory care services described in Exhibit A; and

WHEREAS, at the buildings where the DOHMH Sites are located, DOHMH maintains regular hours from 8:00 AM to 6:00 PM Monday through Friday excluding union holidays (“Regular Hours”); and

WHEREAS, NYC Health + Hospitals intends to operate certain of the DOHMH Sites beyond Regular Hours; and

WHEREAS, although DOHMH will waive any occupancy fee for the DOHMH Sites, it requires reimbursement for the cost of supplying security guards, stationary engineers and custodians, when appropriate and necessary during operations outside of Regular Hours which charges shall be pro-rated if other occupants of the DOHMH properties are also operating after Regular Hours; and

WHEREAS, NYC Health + Hospitals intends to renovate the DOHMH Sites but will return to the Board of NYC Health + Hospitals for authority to do so once a firmer budget is established.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals (“NYC Health + Hospitals”) is hereby authorized 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.

EXECUTIVE SUMMARY

LICENSE AGREEMENT

NEW YORK CITY DEPARTMENT OF HEALTH AND MENTAL HYGIENE

NYC HEALTH + HOSPITALS

OVERVIEW: The President seeks authorization from the Board of Directors to execute a one-year revocable license agreement with the New York City Department of Health and Mental Hygiene ("DOHMH") for successive one-year periods until terminated, for NYC Health + Hospitals to occupy portions of the DOHMH properties 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.

NEED/

PROGRAM: NYC Health + Hospitals currently uses the spaces in all but one of the DOHMH Sites to provide the ambulatory care services described in Exhibit A. Several studies have identified areas of the City without sufficient ambulatory care facilities. To help meet this need, NYC Health + Hospitals wishes to expand the services it offers in the DOHMH Sites where it is currently operating and to establish a clinic in the DOHMH Site where NYC Health + Hospitals is not yet present. The expansion of services at the existing DOHMH sites will be achieved by adding additional staff, offering additional services and renovating, and in some case, expanding existing clinics.

RENOVATION: NYC Health + Hospitals intends to renovate and, in some cases expand the existing DOHMH Sites and to build out the one DOHMH Site listed where NYC Health + Hospitals is not currently operating. Management will return to the Board of NYC Health + Hospitals for authority for such construction once a firm budget has been developed.

TERMS: At the buildings where the DOHMH Sites are located, DOHMH maintains regular hours from 8:00 AM to 6:00 PM Monday through Friday excluding union holidays ("Regular Hours"). NYC Health + Hospitals intends to operate certain of the DOHMH Sites beyond Regular Hours. Although DOHMH will waive any occupancy fee for the DOHMH Sites, it requires reimbursement for the cost of supplying security guards, stationary engineers and custodians, when appropriate and necessary during operations outside of Regular Hours which charges shall be pro-rated if other occupants of the DOHMH properties are also operating after Regular Hours. In no event shall such charges for operations outside of Regular Hours exceed \$500,000 per year.

SUMMARY OF ECONOMIC TERMS

SITES:	Exhibit A
LICENSOR:	New York City Department of Health and Mental Hygiene
SIZE:	The total space at all sites combined is 54,682 square feet
INITIAL TERM:	One year, automatically renewable for successive one year terms until either party terminates
TERMINATION:	Either party may terminate the license at any time on 30 days' notice.
RENT/ OCCUPANCY FEE:	Waived
AFTER HOURS CHARGES:	<p>Health Police Officer \$ 33.65 per hour per assigned person</p> <p>Contracted Guard \$ 38.91 per hour per assigned person</p> <p>Custodian \$ 33.00 per hour per assigned person</p> <p>Stationary Engineer \$ 75.93 per hour per assigned person</p> <p>Stationary Engineer is a seasonal position applicable only at the Bushwick Health Center.</p> <p>Note: Hourly rates subject to change Note: Charges are subject to pro-ration if other occupants of the sites also operate after Regular Hours</p>
MAINTENANCE:	DOHMH will be is responsible for all structural and non-structural exterior maintenance and repairs. NYC Health + Hospitals will be responsible for the non-structural maintenance of its clinics
UTLITIES:	Electricity will be provided by DOHMH

Neighborhood	Site	Address	Services Currently Provided	Services to be Added	Usable Sq Ft Current	Usable Sq Ft. Post-expansion	Anticipated New Visits	Anticipated New Patients	Current Visit Volume FY'15
NYC H+H Primary Care Expansion Initiative locations									
Bed Stuy - Crown Heights	Crown Heights CHC	1218 Prospect Place. 11213	Pediatrics	Women's Health, Behavioral Health	2,308	no change	9,143	2,857	
Williamsburg - Bushwick	Bushwick Communicare	335 Central Ave. 11221	Women's Health, Family Planning	Behavioral Health, Diagnostics (Cardiovascular Ultrasound, General Ultrasound), Podiatry, Optometry, Cardiology	3,000	6,820	12,135	3,792	
West Queens	Junction CHC	34-33 Junction Blvd 11372	Pediatrics	Women's Health, Behavioral Health	2,530	4,110 and in negotiation concerning additional 2,000 sq ft	11,533	3,604	
Crotona - Tremont	Tremont Clinic	2nd flr 1826 Arthur Ave. 10457	Adult Medicine, Pediatrics, Women's Health, Behavioral Health	None	6,453	no change	7,360	2,300	
Bed Stuy - Crown Heights	Brownsville CHC	259 Bristol S. 11212	Pediatrics	Adult Medicine, Women's Health, Behavioral Health, Optometry, Podiatry, Cardiology, General Ultrasound, Mammography	2,445	4,522, and in negotiation concerning additional 1600	17,875	5,586	
Williamsburg - Bushwick	Bedford Clinic	485 Throop Ave. 11221	n/a	Adult Medicine, Behavioral Health	N/A. New location	2,550	8,560	2,675	
Jamaica	Parsons Blvd	90-37 Parsons Blvd., 11432	Adult Medicine, Pediatrics, Women's Health	Behavioral Health	16,800 and basement	no change	16,676	5,211	
NYC H+H Additional locations									
Long Island City-Astoria	Astoria	12-26 31st Ave., Queens 11106	ACT - Behavioral Health	n/a	1,819	n/a	n/a	n/a	
Washington Heights-Inwood	Washington Heights	600 W 168th St, Manhattan 10032	Pediatrics - Well Baby	n/a	2,300	n/a	n/a	n/a	1094
Downtown - Heights - Park Slope	Fort Greene	295 Flatbush Ave. Ext. Brooklyn 11201	Pediatrics - Well Baby	n/a	5,000	n/a	n/a	n/a	2244
Coney Island - Sheepshead Bay	Homecrest	1601 Avenue S, Brooklyn 11229	Pediatrics - Well Baby	n/a	2,000	n/a	n/a	n/a	
Total					44,655	54,682			

ENERGY PRESENTATION

Capital Committee

Energy Efficiency Strategies in the Public Health Care System

Date: December 1, 2015

Time: 12:00 p.m.

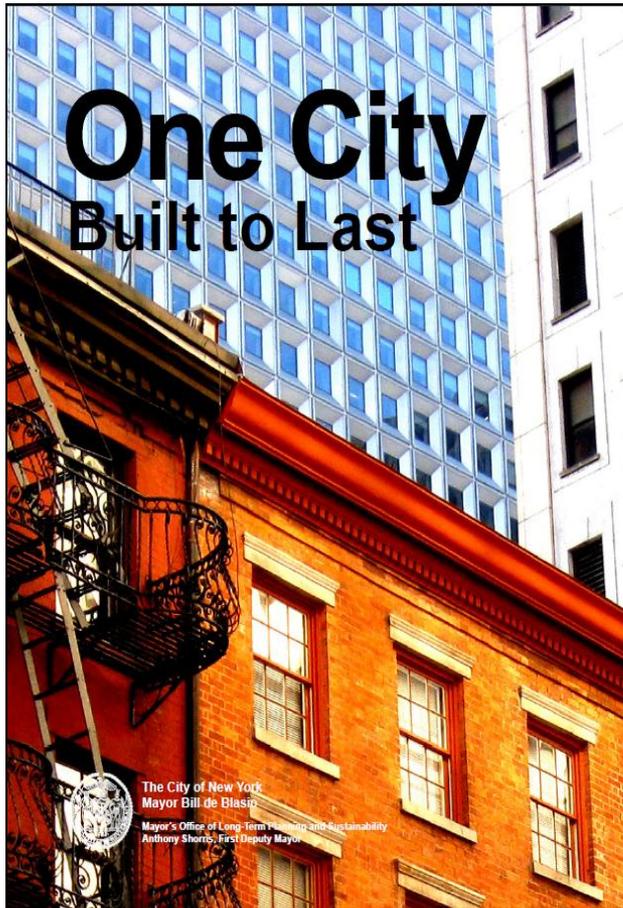
Location: 125 Worth Street,

5th Floor Board Room

New York, NY 10013



ONE CITY: BUILT TO LAST



- ❖ **September 2014, Mayor Bill de Blasio committed to 80% reduction in greenhouse gas (GHG) emissions by 2050.**
- ❖ **New 10-year plan - One City: Built to Last - to address energy used in city owned buildings.**
- ❖ **City interim GHG emissions reduction goal of 35% by 2025.**
- ❖ **Builds on PlaNYC, does not replace it.**
- ❖ **In September 2015, HHC accepted the University & Hospital carbon challenge of 50% GHG reduction by 2025.**

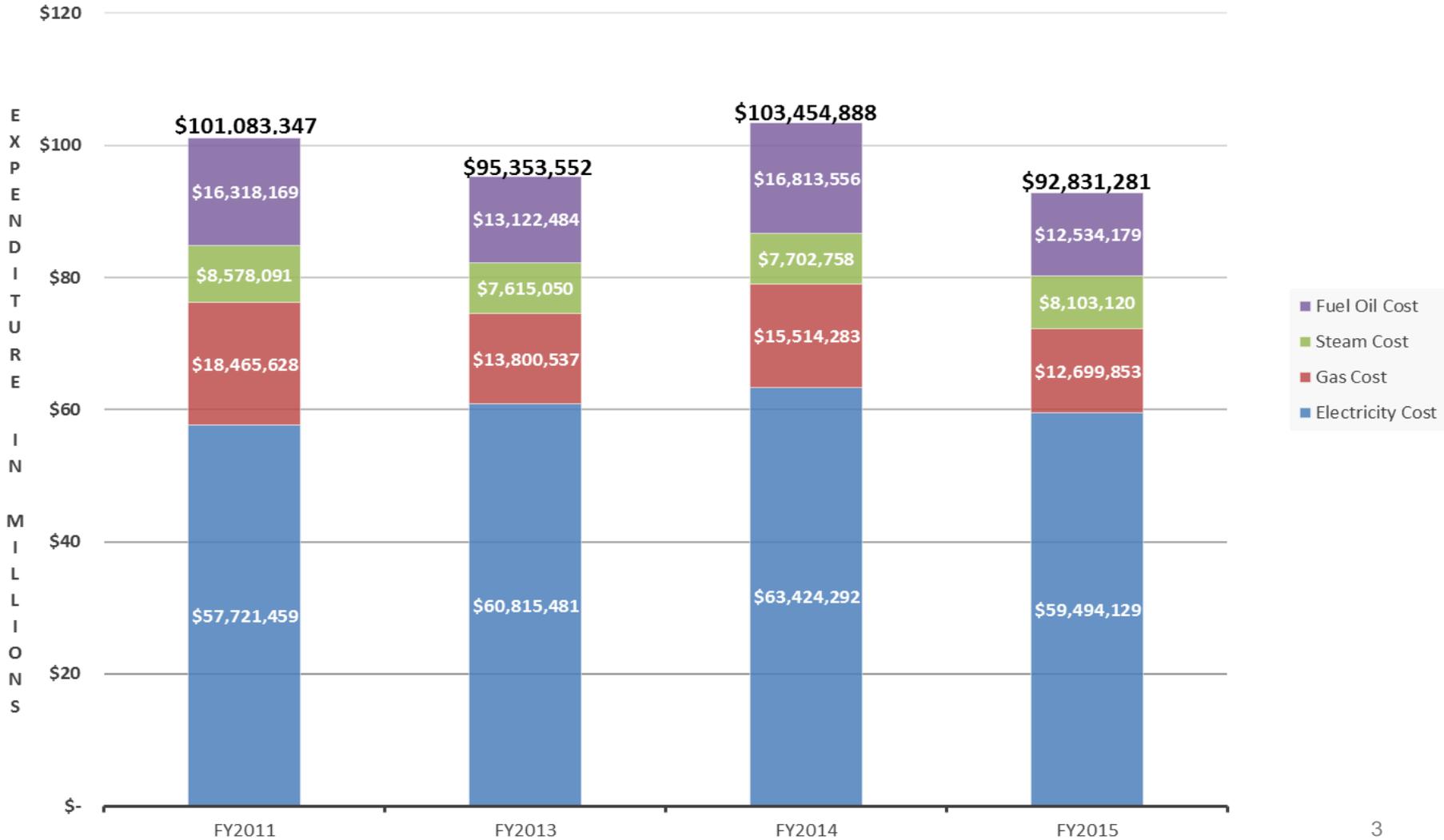
Goals of Energy Master Plan

- ❖ **Increase the Corporation's energy efficiency and conservation.**
- ❖ **Decrease the Corporation's energy consumption.**
- ❖ **Reduce peak demand at acute and long term care facilities.**

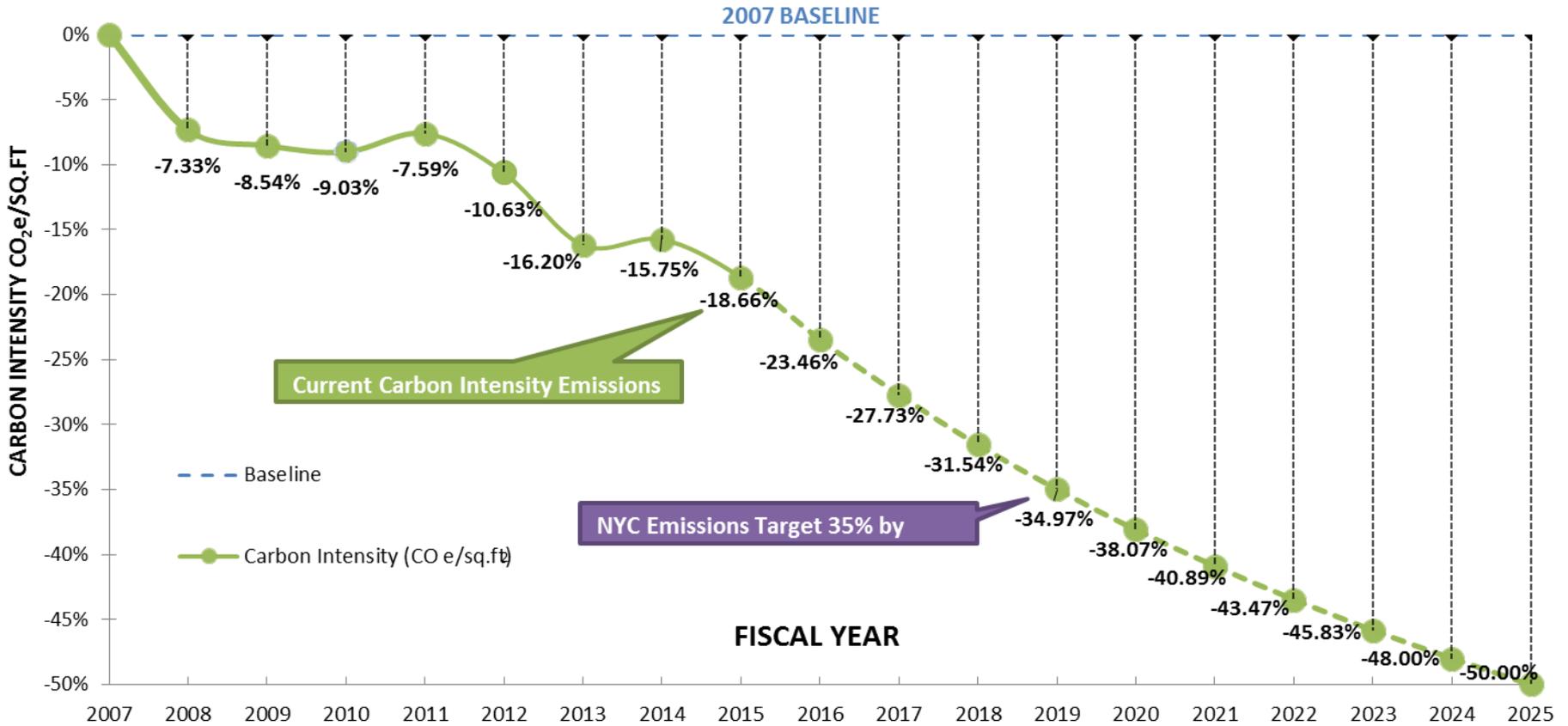
Action Items:

- ❖ **Upgrade lighting systems with efficient light sources, fixtures and controls that reduce lighting energy use;**
- ❖ **Upgrade Heating and Cooling Systems:**
 - ❖ **Install highly efficient building equipment – boilers, chillers, and air conditioners. This will reduce our facilities' energy consumption while maintaining patient comfort and safety.**
 - ❖ **Upgrade facilities' Air Handling Unit (AHU) components and controls.**
 - ❖ **Upgrade facilities' steam traps.**

FISCAL YEARS 2011, 2013, 2014 & 2015



Actual & Projected Carbon Intensity (CO₂e) Emissions



List of Upcoming Energy Efficiency Projects w/ Expected Completion Dates

Elmhurst Energy Efficiency Projects (March 2016)
 Metropolitan Energy Efficiency Projects (April 2016)
 Bellevue Energy Efficiency Projects (June 2016)
 Lincoln Energy Efficiency Projects (June 2016)
 Woodhull Energy Efficiency Projects (December 2016)

Harlem Energy Efficiency Projects (June 2017)
 Kings Energy Efficiency Projects (June 2017)
 Coler New Boiler Project (December 2017)
 Cumberland New Boiler Project (December 2017)

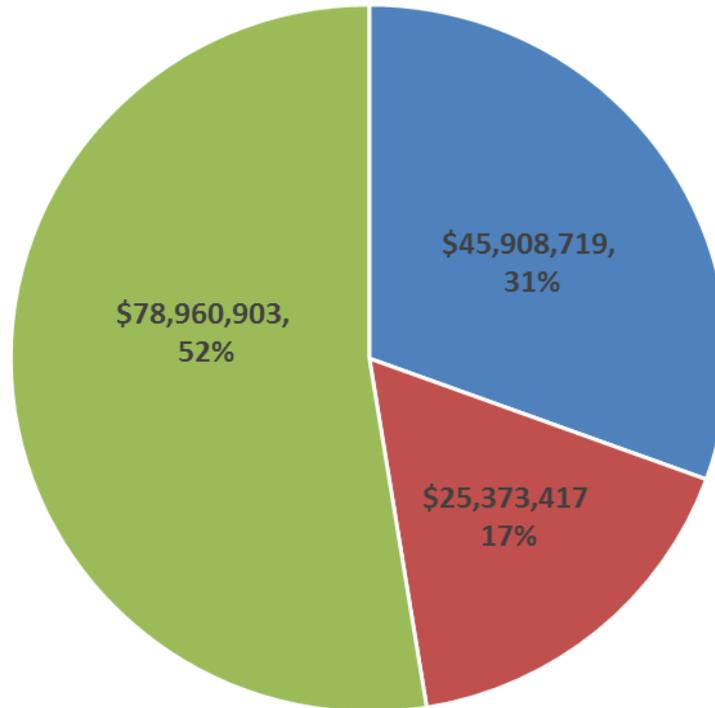
Grant Funded Energy Efficiency Projects

Facility	Project Title	Project Cost	Grant Funds Received*	Project Status
Metropolitan Hospital Center ++	Comprehensive Energy Efficiency Upgrade	\$ 34,349,705	\$ 6,502,184	Construction In Progress
Elmhurst Hospital Center++	Comprehensive Energy Efficiency Upgrade	28,462,000	5,400,802	Construction In Progress
Woodhull Medical & Mental Health Center	Energy Conservation Measures Upgrade	9,642,886	7,897,840	Construction In Progress
Kings County Hospital Center	Energy Conservation Measures Upgrade	13,630,133	10,000,000	Bid Award Phase
Harlem Hospital Center	Energy Conservation Measures Upgrade	10,681,410	10,000,000	90% Design Phase
Lincoln Medical & Mental Health Center	ASHRAE Level II Audit	111,360	111,360	Energy Audit Completed
Central Office	Master Plan	125,000	125,000	Master Plan Completed
Cumberland Diagnostic & Treatment Center	Boiler Plant Upgrade	8,600,000	4,342,533	30 % Design Completed
Coler Rehabilitation & Nursing Care Center	New Boiler Plant	28,000,000	17,940,639	30 % Design Completed
Bellevue Hospital Center	ASHRAE Level II Audit	209,000	209,000	Energy Audit Completed
Bellevue Hospital Center	Chillers for Operating Rooms	3,885,000	3,885,000	Construction In Progress
Bellevue Hospital Center	Condensate Heat Recovery	256,000	256,000	Construction In Progress
Lincoln Medical & Mental Health Center	Outside Air ("OA") Retrofit	558,315	558,315	Construction In Progress
Kings County Hospital Center	Solar Feasibility Study for KCHC Roofs ("D", "E", "R" & "S" Bldgs)	49,500	49,500	Solar Study Completed
Woodhull Medical & Mental Health Center	Steam Trap Replacement	271,311	271,311	Construction In Progress
Kings County Hospital Center	Wireless Pneumatic Thermostats (WPTs)	430,283	430,283	Construction In Progress
Lincoln Medical & Mental Health Center	Energy Conservation Measures Upgrade	10,893,014	10,893,014	Pre-Design Phase
Queens Hospital Center	ASHRAE Level II Audit	88,122	88,122	Energy Audit in Progress
Total		\$ 150,243,039	\$ 78,960,903	



Energy Efficiency Project Financing

Total Project Financing (\$150,423,039)



■ New York Power Authority Financing ■ HHC's Financial Contribution ■ Grant Funds Received (No Repayment Required)

Metropolitan: Comprehensive Energy Efficiency Project (Construction-In-Progress)

- ❖ **Project Cost - \$34.3 million, Board Approved 06/27/2013, Anticipated Completion date 04/30/2016.**
- ❖ **Project comprises of several energy efficiency measures including the following:**
 - ❖ **Lighting & Lighting Control – 100% Completed;**
 - ❖ **Boiler Replacement – 60% Completed;**
 - ❖ **Premium Efficiency Motors – 100% Completed;**
 - ❖ **Replace ED Air Handler Unit – 100% Completed;**
 - ❖ **Air Handler Unit Valve Replacement – 100% Completed;**
 - ❖ **Enterprise Level Building Management System – 25% Completed.**
- ❖ **Project is 70% completed as of October 2015.**
- ❖ **All three boilers are expected to be operational by February 2016.**

Metropolitan :One of Three Installed New Boilers



Elmhurst: Comprehensive Energy Efficiency Project (Construction-In-Progress)

- ❖ **Project Cost - \$28.5 million, Board Approved 06/27/2013, Anticipated Completion date 03/31/2016.**
- ❖ **Project comprises of several energy efficiency measures including the following:**
 - ❖ **Lighting & Lighting Control – 100% Completed;**
 - ❖ **Boiler Replacement – 90% Completed;**
 - ❖ **Premium Efficiency Motors – 100% Completed;**
 - ❖ **Upgrade Radiator Control Valves – 100% Completed;**
 - ❖ **Rehab Cool Water System – 100% Completed;**
 - ❖ **Enterprise Level Building Management System – 30% Completed.**
- ❖ **Project is 80% completed as of October 2015.**
- ❖ **Two new boilers are currently operational, and the last two boilers are expected to be on-line by December 2015.**

**Accelerated Conservation & Efficiency (ACE) Program
Project Construction-In-Progress**

NYC Health + Hospitals / Woodhull - \$9.6 million

7.9 million Grant Funded

- ❑ **Lighting & Vacancy Sensor Upgrades;**
- ❑ **Boiler Burner Replacement;**
- ❑ **Fuel Tank Upgrades;**
- ❑ **Energy Management System (EMS) Upgrade;**
- ❑ **Steam Traps Upgrade.**

Targeted Completion date - December 2016.

Woodhull: Parking Garage Lighting Upgrade Before & After Installation

BEFORE



AFTER



**Accelerated Conservation & Efficiency (ACE) Program
Projects Construction-In-Progress**

NYC Health + Hospitals / Bellevue - \$4.1 million

Fully Grant Funded

- Chillers Upgrade – Operating Rooms.**
- Install Condensate recovery Unit**

Targeted Completion date - June 2016.

NYC Health + Hospitals / Lincoln - \$558,315

Fully Grant Funded

- Replacement of Outdoor Air Dampers.**

Targeted Completion date - June 2016.

Accelerated Conservation & Efficiency (ACE) Program
Projects in Design Phase

NYC Health + Hospitals / Kings - \$13.6 million

\$10 million Grant Funded

- ❑ **Window Replacement – “ABC” Buildings;**
- ❑ **Lighting & Lighting Controls Upgrade – “ABC” & “T” Buildings;**
- ❑ **Steam Pressure Reduction – “Z” Building;**
- ❑ **Waterside Chilled Water Economizer – “S” Building;**
- ❑ **Campus High Efficiency Lighting.**

NYC Health + Hospitals / Harlem - \$10.6 million

\$10 million Grant Funded

- ❑ **Steam Trap Remediation;**
- ❑ **Air Handling Unit (AHU) Systems Upgrade – MLK and Kountz Buildings;**
- ❑ **Upgrade Backpressure Steam Turbine Generator.**

Accelerated Conservation & Efficiency (ACE) Program
Projects Either in Bid/Award or Design Phase

NYC Health + Hospitals / Coler - \$28.0 million

\$17.9 million Grant Funded

- ❑ **New Boiler Plant.**

NYC Health + Hospitals / Cumberland, a Gotham Health Center - \$8.6 million

\$4.3 million Grant Funded

- ❑ **Upgrade Boiler Plant.**

NYC Health + Hospitals / Lincoln - \$10.9 million

Fully Grant Funded

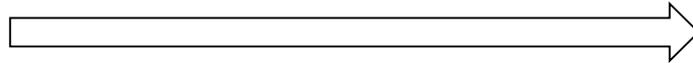
- ❑ **Air Handling Units Upgrade;**
- ❑ **Lighting Retrofit Upgrade.**

CITYWIDE DEMAND RESPONSE (DR) PROGRAM

- ❖ **The Demand Response program enables end users to contribute load relief to the electric grid. This program motivates the end users to make changes in electricity usage, by lowering consumption when electrical grid reliability might be jeopardized.**
- ❖ **The program offers financial incentives to entities for curtailing electric load when they are notified to do so during summer and/or winter peaks periods.**

DEMAND RESPONSE (DR) PARTICIPATION

- ❖ **Demand response program is administered by NuEnergen, LLC. and is directed at NYC agencies.**
- ❖ **Participation – For the 2015 Summer program, City agencies (including HHC) pledged ≈ 48.4 MW of energy reduction under this DR program.**
- ❖ **Seven of HHC facilities pledged ≈ 2.6 MW of energy reduction or 5.4% of City's total energy reduction for last summer.**
- ❖ **2.6 MW of energy reduction is equivalent to electricity used in 247 homes for one year.**



2.6 MW \approx 1yr Electricity to 250 homes

BENEFITS OF REAL TIME METERING

❖ Real Time Metering Installed at each participating facility

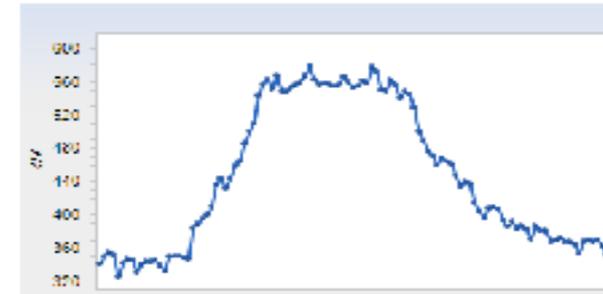


Improve performance during peak load events - **more DR revenue**

Real-time meter (monitor facility load in real time 24/7)

Understand facility day to day demand
optimize load
reduce demand
reduce costs

Identify gaps in facility operations
reduce usage
reduce GHG emissions
reduce costs



ENERGY STORAGE INITIATIVES

The City of New York, through DCAS, has contracted with vendors of energy storage technology solutions, in order to deploy demonstration projects for the purpose of increasing energy efficiency and energy cost savings. These cost savings are in line with DCAS Energy Management goals to reduce energy costs and greenhouse gas emissions of municipal operations.

❖ BATTERY STORAGE DEMONSTRATION

❖ SOLAR PHOTOVOLTAIC PROJECT

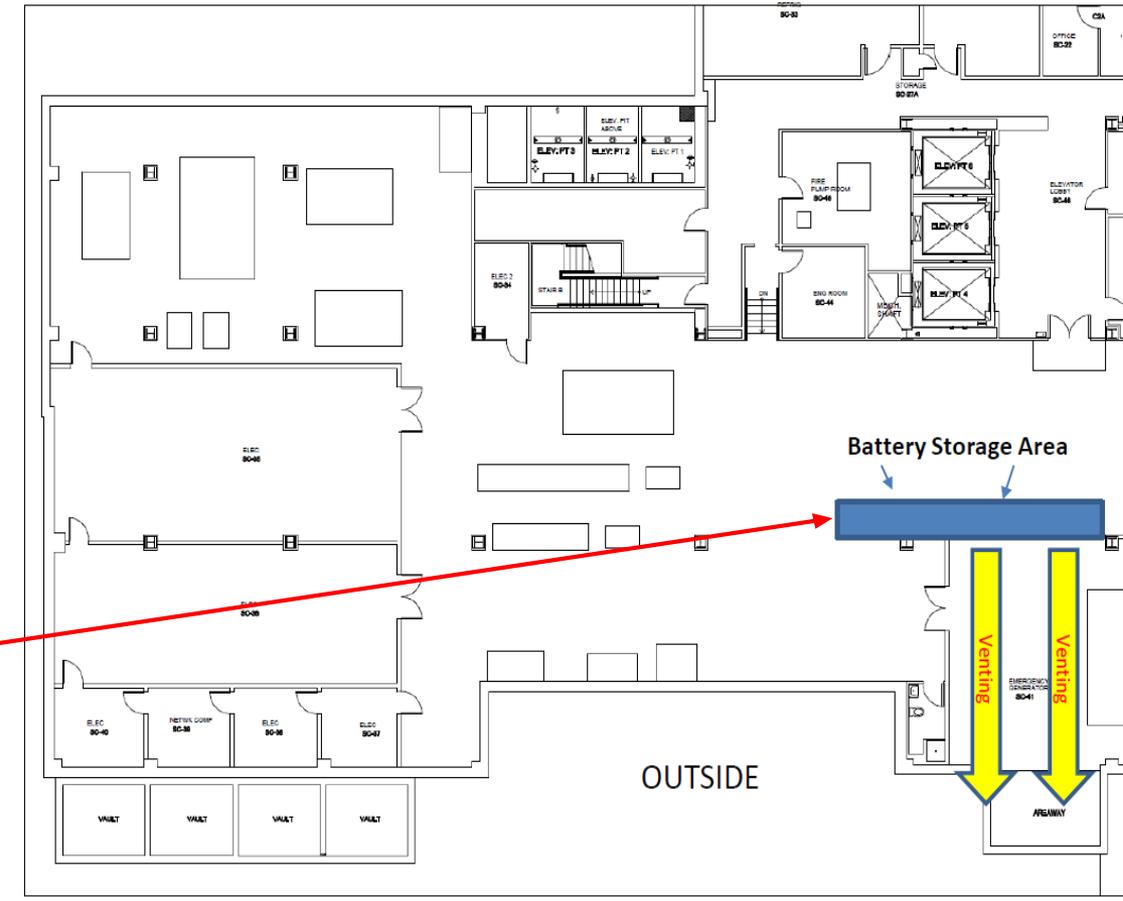
**JACOBI : BATTERY STORAGE UNIT
SITE LOCATION**

**Located behind
Buildings 1 and 6**

100 kW ReFlex
AC Battery



QUEENS : BATTERY STORAGE UNIT SITE LOCATION



Located in front of generator room in Main hospital cellar.

SOLAR PHOTOVOLTAIC PROJECT

The City of New York, through DCAS, contracted with vendors of energy storage technology solutions, in order to deploy demonstration projects for the purpose of increasing energy efficiency and energy cost savings in line with DCAS Energy Management goals to reduce energy costs and greenhouse gas emissions of municipal operations.

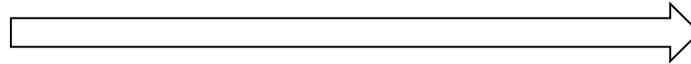
PHOTOVOLTAIC DEMONSTRATION



DCAS has selected fifteen rooftops at six HHC sites for the City's "Large Scale Rooftop Solar Power Purchase Agreement" (PPA) RFP. The selected HHC sites are listed below:

- 1. NYC Health + Hospitals / Bellevue - Main Hospital Building;**
- 2. NYC Health + Hospitals / Coler - "A", "B", & "C" Buildings;**
- 3. NYC Health + Hospitals / Elmhurst - "H" Building;**
- 4. NYC Health + Hospitals / Kings - "D", "E", "R" & "S" Buildings;**
- 5. NYC Health + Hospitals / Metropolitan - Main Building, Mental Health & OPD Buildings;**
- 6. NYC Health + Hospitals / Queens - Ambulatory Care, Main Hospital & "N" Buildings.**

- ❖ **Total estimate power production under this solar rooftop power program at the selected HHC sites is 2.6 MW**



2.6 MW \approx 1yr Electricity to 250 homes

ENERGY MANAGEMENT PLAN

- ❖ **Establish a Corporate Energy Management Policy.**
- ❖ **Implement Energy Conservation Measures [such as sub metering, lighting sensors, upgrade Building Management Systems (BMS)] to reduce energy consumption and GHG emissions.**
- ❖ **Pursue energy audits for each major facility, prioritizing “high energy users”.**
- ❖ **Encourage behavioral changes related to energy conservation including training equipment operators and maintenance staff in energy efficiency methods.**
- ❖ **Update facility’s benchmarking and carbon emissions inventory.**
- ❖ **Encourage and increase Demand Response Program participation throughout the Corporation.**