

CAPITAL COMMITTEE

September 11, 2014

MEETING AGENDA

10:00 A.M.

125 Worth Street, Room 532
5th Floor Board Room

CALL TO ORDER

Emily A. Youssouf

- ADOPTION OF MINUTES July 10, 2014

Emily A. Youssouf

- SENIOR ASSISTANT VICE PRESIDENT'S REPORT

Roslyn Weinstein

ACTION ITEMS

- **Resolution** **Steven Alexander**
Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a revocable five-year license agreement with New York City Department of Education (the "Licensee") for its exclusive use and occupancy of approximately 10,000 square feet of space and shared use of approximately 3,000 square feet of space and on the 21st floor of the H-Building to operate Public School 35 at Bellevue Hospital Center (the "Facility") with the occupancy fee waived.
- **Resolution** **William Walsh**
Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a five-year revocable license agreement with the New York City Police Department ("NYPD" or "Licensee") for its continued use and occupancy of approximately 144 square feet of space in the 18th floor Mechanical Room and approximately 375 square feet of rooftop space for the operation of radio communication equipment at North Central Bronx Hospital (the "Facility") with the occupancy fee waived.
- **Resolution** **Chris Constantino**
Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute five (5) successive one year revocable license agreements with the New York City Human Resources Administration ("HRA") for the use and occupancy of approximately 9,930 square feet space at 114-02 Guy Brewer Boulevard, Borough of Queens, known as the South Jamaica Multi-Service Center to operate various ambulatory health care services managed by Queens Hospital Center (the "Facility") at a continued occupancy fee of \$24 per square foot, a \$2 per square foot utility surcharge, a \$1 per square foot seasonal cooling charge for a total of approximately \$260,663 per year which shall not exceed \$1,303,315 over the five year period authorized.
- **Resolution** **Fred Covino**
Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a five-year revocable license agreement with the New York City Human Resources Administration (the "Licensee") to operate its Medical Assistance Program ("MAP") at six (6) Corporation facilities (the "Facilities") in a total of approximately 12,844 square feet for a total annual occupancy fee of approximately \$792,873 per year based on the facility Institutional Cost Reimbursement Rate ("ICR"), which range from \$40.30 per square foot, to \$86.78 per square foot,

for an average of \$61.73 per square foot, to be escalated by 2% per year.

- **Resolution** **LaRay Brown**
Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a sublease with Draper Homes Housing Development Fund Corporation or such other housing development fund company as shall be approved by both the Corporation and the NYC Department of Housing Preservation and Development ("HPD") (the "HDFC") as nominee for Draper Hall Apartments LLC (the "LLC" in such capacities being referred to together with the HDFC, as "Tenant") of approximately 105,682 square feet or 2.426 acres on the campus of Metropolitan Hospital Center (the "Facility") for a term of 99 years, inclusive of tenant options, for the development of housing for low income elderly and/or disabled persons at a rent of not less than \$100,000 per year.
- **Resolution** **Peter Lynch**
Authorizing the capital expenditure by the New York City Health and Hospitals Corporation (the "Corporation") of a total of \$3,500,000 for the construction of a Conference and Training Center at Metropolitan Hospital Center (the "Facility") to be financed with FEMA federal funds and New York City General Obligation bonds.

INFORMATION ITEMS

- **Project Status Reports**

Central/North Brooklyn Health Network

Daniel Gadioma/Lisa Scott-McKenzie

- Kings County Hospital: Elevator Upgrade "ABC" Buildings
- Woodhull Medical Center: Obstetric Unit Expansion

Queens Health Network

Dean Mihaltses

- Elmhurst Hospital: Women's Health Center

OLD BUSINESS

NEW BUSINESS

ADJOURNMENT

CAPITAL COMMITTEE MEETING MINUTES

JULY 10, 2014

MINUTES

Capital Committee

Meeting Date: July 10, 2014

Time: 11:00 A.M.

Location: Board Room

Board of Directors:

Members of the Capital Committee

Emily A. Youssouf, Chair

Josephine Bolus, RN

Ramanathan Raju, MD, President

Antonio Martin, Executive Vice President

HHC Staff:

Jeremy Berman – Deputy General Counsel, Office of Legal Affairs

Tammy Carlisle – Associate Executive Director, Corporate Planning

Deborah Cates – Chief of Staff, Office of the Chairman

Daniel Collins – Director, Coney Island Hospital

Manding Darboe – Assistant Director, Office of Facilities Development

Jonathan Goldstein – Senior Consultant, Corporate Planning

David Guzman – Deputy Chief Operating Officer, Metropolitan Hospital Center

Lauren Haynes – Intern, President's Office

Lisa Lee – Deputy Inspector General, Office of the Inspector General

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

Randall Mark – Chief of Staff, Office of the President

Dean Moskos – Director, Office of Facilities Development

Arthur Wagner – Senior Vice President, South Brooklyn/Staten Island Health Network

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

Dion Wilson – Assistant Director, Office of Facilities Development

Elizabeth Youngbar – Assistant Director, Office of Facilities Development

CALL TO ORDER

The meeting was called to order by Emily A. Youssef, Chair of the Capital Committee, at 11:12 A.M.

On motion, the Committee voted to adopt the minutes of the June 12, 2014, Capital Committee meeting.

SENIOR ASSISTANT VICE PRESIDENT'S REPORT

Roslyn Weinstein, Senior Assistant Vice President, Office of the President, advised that the meeting agenda included two resolutions for Coney Island, relating to the Ida Israel clinic, and a resolution naming a conference room at Metropolitan Hospital Center after Doctor Richard Stone.

Ms. Weinstein explained that while she had hoped that the Corporation's new emergency preparedness specialist, Nick Caglioso, would be able to attend the meeting, he could not make it, but she looked forward to introducing him to the Committee in the coming months, as he would be an integral part of Emergency Preparedness planning for the Corporation.

That concluded Ms. Weinstein's report.

Ms. Youssef requested that the first two action items be presented together.

ACTION ITEMS

- **Authorizing the expenditure by the New York City Health and Hospitals Corporation (the "Corporation") of \$8,619,510 for the construction and outfitting of a temporary primary medical clinic in a pre-fabricated structure on Block 7061, Lots 16, 39, 40, 41, 42, 43, 44 and 45 in the Coney Island area of Brooklyn (the "Lots") to be licensed from the New York City Department of Housing Preservation and Development ("HPD") for the Corporation's operation of the Ida G. Israel Community Health Center (the "Health Center") under the management of Coney Island Hospital ("CIH").**
- **Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a three-year revocable license agreement with the New York City Department of Housing Preservation and Development ("HPD") for the Corporation's use and occupancy of Block 7061, Lots 16, 39, 40, 41, 42, 43, 44 and 45 in the Coney Island area of Brooklyn for the Corporation's operation of a temporary primary medical clinic in a pre-fabricated structure at an annual payment to HPD of \$130,000. This resolution amends and supersedes a similar resolution adopted by the Board of Directors July 25, 2013.**

Arthur Wagner, Senior Vice President, South Brooklyn/Staten Island Health Network read the resolution into the record. Mr. Wagner was joined by Daniel Collins, Director, Coney Island Hospital.

Ms. Youssef asked for an update on the status of the project and an explanation of why a rental payment had been initiated. Mr. Collins said that all contracts had been bid-out, one had been awarded for \$7,250,000, for the trailer, and the plumbing and electrical bids for site work and vendex would be awarded

in the near future. He said that work was anticipated to start on the lot in September, 2014, trailers were expected to be delivered in December, 2014, and assembled on site in January, 2015. The project was anticipated to be complete in late February, 2015.

Ms. Youssouf asked if the modular structures were coming from a facility at the Brooklyn Navy Yard. Mr. Collins said no, the hospital had reached out to them but they advised that the project was not in line with their type of work. Mr. Collins said that the units would come from a plant in Pennsylvania.

Ms. Youssouf asked why there was now a rental charge from the Department of Housing, Preservation and Development (HPD) when there was not one previously. Mr. Collins explained that when the facility approached the Federal Emergency Management Agency (FEMA) for obligations based on their Project Worksheet (PW) they were advised of a requirement to sign a three-year lease for the site instead of the one-year license originally signed. When HPD was approached regarding the three-year term they determined that under these changed circumstances HPD should collect the assessed value of \$130,000 annually.

Josephine Bolus, RN, asked what would happen to the rent when the three (3) year term expired. We said we would review.

Ms. Youssouf asked if a lease agreement had already been signed. Jeremy Bernan, Deputy Counsel, explained that the original license agreement was signed a year ago, for no rent, but the new resolution, with the \$130,000 annual rental payment, and a three year term, had not yet been signed. Ms. Youssouf asked if there were any language in the agreement about renewals. Mr. Berman said no. He noted that the City was customarily cautious about license agreements because if a disposition of the property were to take place then the transaction would have to go through the Uniform Land Use Review Process (ULURP), so they are typically careful only to commit to a single year at a time. He explained that the Corporation had a number of City licenses that were renewed annually, and there hadn't been any issues.

Ms. Youssouf said it was the rent that she was concerned about. Mr. Berman said the Corporation would speak to HPD about it. Ms. Youssouf said she was excited about the project. She was aware that it had been an enormous Corporate-wide effort, and she looked forward to seeing the outcome of this this less costly way of constructing space.

Mrs. Bolus asked why there was a jump in lot numbers between lots 16 and 39. Mr. Collins explained that was simply how the lots were laid out, but the ones being licensed are all aligned. He said there was only one occupied lot behind and all lots in front were unoccupied and owned by HPD.

There was brief discussion on whether there should be concern regarding development on those lots and the general consensus was no.

Ms. Youssouf asked when the project would be complete. Mr. Collins said the contractor's schedule showed completion in February, 2015. Ms. Youssouf asked that the Committee be invited out to visit the site, noting that this new construction style could be a model for future projects.

Mrs. Bolus asked if the project had been presented to the Community Board. Mr. Wagner said yes. Ms. Youssouf asked if they were happy with it. Mr. Wagner said yes, they want to know when it will be started and when it will be ready for use.

Mr. Wagner explained that the structure would be raised to accommodate the 500 year flood plans. Mrs. Bolus asked about disabled access. Mr. Wagner said there would be a ramp and a lift at the main entrance. Mrs. Bolus asked if there would be something on the other sides of the buildings. Mr. Collins said yes, there are other exits (not entrances) that will have ramps as well.

Ms. Youssouf said the Committee looked forward to the project being completed on time and within budget.

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

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

- **Authorizing the naming of Conference Room 1B35 at Metropolitan Hospital Center ("Metropolitan Hospital") the "Dr. Richard K. Stone Conference Room" in recognition of the substantial contributions that Dr. Richard K. Stone has made to Metropolitan Hospital over 48 years of distinguished, compassionate and dedicated service.**

David Guzman, Deputy Chief Operating Officer, Metropolitan Hospital Center, read the resolution into the record on behalf of Meryl Weinberg, Executive Director, Metropolitan Hospital Center.

Ms. Youssouf said she Dr. Stone's reputation preceded him and she thought the renaming was a wonderful idea.

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

- **Director of Real Estate's Report**
Real Estate Transaction Outlook: September – December, 2014

Dion Wilson, Office of Legal Affairs, advised that package included a listing of items to be presented to the Capital Committee over the next six months. He explained that this was to give them additional notice of matters that would be coming before the Committee. He noted that for the last five (5) to six (6) years the plan had been to bring items to the committee two (2) to three (3) months prior to expiration, but based on recent discussion, it was clear that the Committee would now prefer to act six months prior. He advised that it would take a little time to adjust to this new process. Mr. Wilson said that over the next few months the six (6) month lead time objective should be substantially complete, and he assured the Committee that there would be no arms-length commercial lease transactions similar to the Graham Avenue lease presented in June, 2014.

Mr. Wilson said that one exception would be a sublease for a site on Longwood Avenue in the Bronx, where a WIC site operates. For that site the rent was entirely funded by the State of New York, for sublease with Montefiore Medical Center, but HHC would likely be entering into a new agreement, directly with the Landlord, with an anticipated two percent (2%) increase. Mr. Wilson said that prior to moving forward with any new agreement the WIC program would need approval for the grant and they would likely not have that approval until late in 2014. He said it will be on the agenda at the earliest opportunity.

Mr. Wilson continued, explaining that as items would be presented six months prior to signature then the look-ahead would eventually be showing items expiring in the coming 12 months. He said that an updated look-ahead would be included in each Capital Committee package.

Mr. Wilson cautioned that there would always be unanticipated items and noted that the development of events does not always follow a schedule but action is still required, and information from the facilities is needed for proper planning, so at times there may still be surprises.

Ms. Youssouf said thank you but she was not sure that this new process addressed all the Committee's concerns, which are not just timeliness but excessive rent increases. Mr. Berman said the idea was that the Committee would be advised a year ahead of time so that the items would be presented six months ahead of needed action, thereby alleviating pressure to make decisions. He noted that commercial leases, which were few and far between, would get additional attention and the Committee would be notified a year in advance and they will have the resolution six months before action is required.

Ms. Youssouf asked if the rent numbers under negotiation would be available 12 months ahead of time. Mr. Berman explained that Fair Market Value (FMV) determinations could be made a year ahead of expiration, which would at least provide an idea of how rates might shift. He explained that with regards to Graham Avenue, the FMV showed that there would be an extensive increase, not exact but enough to know that a big increase was coming.

Mrs. Bolus said the issue with the Graham Avenue site was that work was not being completed and the landlord was not meeting his promises.

Mr. Berman advised Mrs. Bolus that she was referring to the Manhattan Avenue Clinic, also managed by Woodhull Medical Center, under construction, and for which litigation was being explored. Ms. Youssouf asked if alternate spaces were being identified. Mr. Berman said there was the possibility that clinic functions would be absorbed into the facility. Mr. Wilson added that another possibility was that a building under the jurisdiction of the Department of Health could possibly be transferred to HHC and that could house the clinic programs located at Manhattan Avenue.

Ms. Youssouf said the concern was that items like the Graham Avenue agreement not come before the Committee. Everything was wrong with that agreement she said, we should not have done that. The number of patients serviced, the annual rent numbers, and the square footage of the space were all questionable and the committee should not have felt forced to decide.

Ms. Youssouf asked that the appraisal function and the broker functions be separated and said that one entity should not provide both services. Mr. Berman advised that no commission was paid for the Graham Avenue transaction. Ms. Youssouf said that did not address the concern. Mr.

Berman said only one service was provided with regards to the Real Estate consultant and the Graham Avenue lease. Mr. Wilson said he understood that she wanted the functions to be performed separately.

Ms. Youssouf said she appreciated all the effort and changes in methodology. She said that all factors needed to be reviewed to determine if the sites are correct and the agreements are good for the Corporation.

Mr. Berman said he wanted to make things easier and be sure to call out any items that may cause potential adversity or contention. There are few of those, he said, maybe 15 throughout the Corporation.

Mrs. Bolus said there should be more expansive services throughout the City and therefore there may be more of these agreements in the future but we need a way to find good deals and produce good services.

Ramanathan Raju, President, agreed. He explained that access points were previously identified by the networks and facilities but in the future there would need to be a more community view of where access points are created. He said the Corporation cannot focus on what is convenient for the facility but must focus on what is beneficial to the community. HHC needs to look at a number of factors; is it the right location, is it accessible to public transportation, how effective had the site been. He said that the landlords cannot feel like they have a hold on HHC. We need to be open to move if it means better service, better deals, etc. We cannot keep doing things the way we used to. There are a number of social and community issues that come into play but these are all considerations and factors. He noted that leasing would reflect the direction of the Corporation and not simply the way things had been done in the past.

Ms. Youssouf agreed and asked that a very brief presentation be provided at the full Board meeting, and asked for specific mention of the separation of services by the real estate consultants.

Mr. Berman noted that the list of upcoming items included Draper Hall, for which a Public Meeting had been scheduled for early September, and that project would be on an accelerated schedule. He advised that it would likely go to the Capital Committee and full Board of Directors in September and then before the City Council as soon after that as possible. The Committee is the first reviewer of that transaction and they should be aware that it is coming. Ms. Youssouf said thank you.

- **Project Status Reports**

South Brooklyn/Staten Island Health Network
Coney Island Hospital – Boiler Plant Replacement (Delayed)

Mr. Collins advised that the physical plant was complete, the Department of Environmental Protection (DEP) had approved start of the boilers, and the Department of Buildings (DOB) inspected and signed off on the plant. He said that startup was scheduled for Monday, July 14th, when National Grid would turn on the gas, and a two week startup and commissioning process would begin. After that the plant would be fully operational for the facilities. Two weeks after that the temporary plant will be removed.

There being no further business, the meeting was adjourned at 11:50 A.M.

LICENSE AGREEMENT

NYC DEPARTMENT OF EDUCATION

BELLEVUE HOSPITAL CENTER

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a revocable five-year license agreement with New York City Department of Education (the "Licensee") for its exclusive use and occupancy of approximately 10,000 square feet of space and shared use of approximately 3,000 square feet of space and on the 21st floor of the H-Building to operate Public School 35 at Bellevue Hospital Center (the "Facility") with the occupancy fee waived.

WHEREAS, the New York State Office of Mental Health requires educational services to be provided to inpatient and day treatment youths receiving mental health services; and

WHEREAS, in September 2009 the Board of Directors authorized the President to enter into a license agreement with the New York City Department of Education; and

WHEREAS, the Licensee's operation of Public School 35 is exclusively for Bellevue Hospital Center patients in grades kindergarten through twelfth grade who have behavioral health needs and are hospitalized or otherwise being treated at the Facility; and

WHEREAS, the Facility would not be able to treat and bill for treatment of these patients without PS 35's on-site services.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation") be and hereby is authorized to execute a five-year revocable license agreement with New York City Department of Education for its exclusive use and occupancy of approximately 10,000 square feet of space and shared use of 3,000 square feet of space on the 21st floor of the H-Building to operate Public School 35 at Bellevue Hospital Center (the "Facility") with the occupancy fee waived.

EXECUTIVE SUMMARY

LICENSE AGREEMENT NEW YORK CITY DEPARTMENT OF EDUCATION BELLEVUE HOSPITAL CENTER

The President of the New York City Health and Hospitals Corporation seeks authorization from the Board of Directors to execute a revocable license agreement with New York City Department of Education for its use and occupancy of space to operate Public School 35 at Bellevue Hospital Center ("Bellevue").

The New York State Office of Mental Health ("NYS OMH") requires educational services to be provided to inpatient and day treatment youths receiving mental health services. Since 2009 the New York City Department of Education has operated Public School 35 at the Facility pursuant to a resolution of the Board of Directors adopted in September 2009. The New York City Department of Education's operation of Public School 35 is exclusively for Bellevue patients in grades kindergarten through twelfth grade who have behavioral health needs and are hospitalized or otherwise being treated at Bellevue. Bellevue would not be able to treat and bill for treatment of these patients without PS 35's on-site services.

PS 35's operation at Bellevue is a NYS OHM requirement and provides an immeasurable benefit to Bellevue's patients, as a result thereof, the Corporation waives the occupancy fee. Bellevue will provide utilities, including electricity, heat and air conditioning to the licensed space

New York City Department of Education will indemnify and hold harmless the Corporation and the City of New York from any claims arising by virtue of its use of the licensed space and will also provide appropriate insurance naming each of the parties as additional insureds.

The term of this agreement shall not exceed five years without further authorization of the Board of Directors of the Corporation. The license agreement shall be revocable by either party on ninety days' notice.

LICENSE AGREEMENT

NYC POLICE DEPARTMENT

NORTH CENTRAL BRONX HOSPITAL

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a five-year revocable license agreement with the New York City Police Department ("NYPD" or "Licensee") for its continued use and occupancy of approximately 144 square feet of space in the 18th floor Mechanical Room and approximately 375 square feet of rooftop space for the operation of radio communication equipment at North Central Bronx Hospital (the "Facility") with the occupancy fee waived.

WHEREAS, in October 2009, the Board of Directors of the Corporation authorized the President to enter into a license agreement with the Licensor; and

WHEREAS, the Licensee desires to continue its use and occupancy, and the Facility has the space to accommodate the Licensee's requirements.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation") be and is hereby authorized to execute a revocable license agreement with the New York City Police Department ("NYPD" or "Licensee") for its continued use and occupancy of approximately 144 square feet of space in the 18th floor Mechanical Room and approximately 375 square feet of rooftop space for the operation of radio communication equipment at North Central Bronx Hospital (the "Facility") with the occupancy fee waived.

EXECUTIVE SUMMARY

LICENSE AGREEMENT NEW YORK CITY POLICE DEPARTMENT

NORTH CENTRAL BRONX HOSPITAL

The President of the New York City Health and Hospitals Corporation seeks authorization to execute a revocable license agreement with the New York City Police Department ("NYPD") for its continued use and occupancy of space at North Central Bronx Hospital ("NCBH").

The NYPD has been occupying space at NCBH since 1982 for the purpose of operating radio communication equipment. The equipment occupies approximately 144 square feet in the mechanical machine room on the 18th floor, and approximately 375 square feet on the rooftop of NCBH. The space will continue to be used by the NYPD for radio communication equipment. The equipment shall provide the Licensee with the communication capacity necessary to support public safety.

The presence of the NYPD communications equipment enhances public safety, and in consideration thereof, the occupancy fee will be waived under this arrangement.

The Licensee will be required to indemnify and hold harmless the Corporation and the City of New York from any and all claims arising out of its use of the Licensed Space.

The license agreement will not exceed five years without further authorization by the Board of Directors of the Corporation and shall be revocable by either party upon ninety (90) days written notice.

LICENSE AGREEMENT

SOUTH JAMAICA MULTI-SERVICE CENTER
114-02 GUY BREWER BLVD.

QUEENS HOSPITAL CENTER

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute five (5) successive one year revocable license agreements with the New York City Human Resources Administration ("HRA") for the use and occupancy of approximately 9,930 square feet space at 114-02 Guy Brewer Boulevard, Borough of Queens, known as the South Jamaica Multi-Service Center to operate various ambulatory health care services managed by Queens Hospital Center (the "Facility") at a continued occupancy fee of \$24 per square foot, a \$2 per square foot utility surcharge, a \$1 per square foot seasonal cooling charge for a total of approximately \$260,663 per year which shall not exceed \$1,303,315 over the five year period authorized.

WHEREAS, in October 2009, the Board of Directors of the Corporation authorized the President to execute a revocable license agreement with the New York City Human Resources Administration ("HRA") for use of space at the South Jamaica Multi-Service Center at 114-02 Guy Brewer Boulevard, Jamaica; and

WHEREAS, there is an ongoing need for the use and occupancy of the space for the ambulatory health care services presently being provided at the South Jamaica site.

WHEREAS, in October 2012 the Board of Directors of the Corporation authorized the President to increase the payments to HRA for the South Jamaica site and two other HRA sites occupied by the Corporation, to bring the occupancy fee to \$24 per square foot from \$21 per square foot; and

WHEREAS, the Board's authorization to execute the successive one-year license agreements offered by HRA will soon expire and the Facility desires to continue operating its programs at the South Jamaica location at the cost previously approved by the Corporation's Board of Directors.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation be and hereby is authorized to execute five successive one year revocable license agreements with the New York City Human Resources Administration for the use and occupancy of approximately 9,930 square feet of space at 114-02 Guy Brewer Boulevard, Borough of Queens, known as the South Jamaica Multi-Service Center to operate various ambulatory health care services managed by Queens Hospital Center at an occupancy fee of \$24 per square foot, a \$2 per square foot utility surcharge, a \$1 per square foot seasonal cooling charge for a total of approximately \$260,663 per year which shall not exceed \$1,303,315 over the five year period authorized.

EXECUTIVE SUMMARY

QUEENS HOSPITAL CENTER SOUTH JAMAICA MULTI-SERVICE CENTER

OVERVIEW: The President seeks authorization to execute five successive one year revocable license agreements with the New York City Human Resources Administration ("HRA") for the continued use and occupancy of space at 114-02 Guy Brewer Boulevard in Jamaica, Queens, to operate a variety of ambulatory health care services located in the South Jamaica Multi-Service Center, managed by Queens Hospital Center ("QHC").

**NEED/
PROGRAM**

QHC has operated ambulatory health care services at this site since 1985. These programs enable the hospital to provide direct patient care in a federally-designated "Health Professional Shortage Area."

The programs operating in the Multi-Service Center are:

- Pediatric Primary Care;
- QHC Teenage Program, a teenage pregnancy counseling and treatment service;
- An Obstetric/Gynecological Clinic;
- Geriatric Services;
- The Neighborhood Help Center, a mental health treatment service, and;
- WIC, the Supplemental Food Program for Women, Infants, and Children.

UTILIZATION: Utilization for fiscal year 2014 was 18,925.

TERMS: QHC will have the continued use and occupancy of approximately 9,930 square feet of space located on the first and second floors of the premises (the "Licensed Space"). QHC will pay an occupancy fee of \$24 per square foot, a \$2 per square foot utility surcharge, a \$1 per square foot seasonal cooling charge for a total of approximately \$260,663 per year. This rate continues the occupancy fees rates approved by the Corporation's Board of Directors in October 2012.

HRA will provide all water, utilities, housekeeping and security for the premises, the costs of which are included in the occupancy fee. HRA shall also be responsible for maintenance and repairs to the building, both structural and non-structural, unless same are needed due to the negligence of the Licensee, its employees or invitees.

The term of the license agreement shall not exceed five years without further approval by the Board of Directors. The license agreement will be revocable by either party upon thirty days' prior notice.

FINANCING: Revenues derived from third-party payers and grant funding.

SOUTH JAMAICA

QUEENS HOSPITAL CENTER FINANCIAL PROJECTION FY15 - 18

PERSONAL SERVICES (PS)									
NAME	TITLE			FTE	FY14	FY15	FY16	FY17	FY18
ADMINISTRATIVE				3.00	207,221	213,438	219,841	226,436	233,229
NURSING				2.00	188,482	194,136	199,961	205,959	212,138
NURSE AIDE				2.00	75,450	77,714	80,045	82,446	84,920
DIETICIAN				9.00	402,019	414,080	426,502	439,297	452,476
CLERICAL				6.00	227,323	234,143	241,167	248,402	255,854
OTHER				3.70	167,779	172,812	177,997	183,337	188,837
SUBTOTAL PS				25.70	1,268,274	1,306,322	1,345,512	1,385,877	1,427,454
QUEENS HOSPITAL FRINGE BENEFIT @				57.20%	725,453	747,216	769,633	792,722	816,503
SUBTOTAL QHC PS & FB					1,993,727	2,053,539	2,115,145	2,178,599	2,243,957
MOUNT SINAI AFFILIATE STAFFING									
PHYSICIAN				5.50	710,271	731,579	753,527	776,132	799,416
SUBTOTAL PS				5.50	710,271	731,579	753,527	776,132	799,416
MOUNT SINAI FRINGE BENEFIT @				25.46%	180,835	186,260	191,848	197,603	203,531
SUBTOTAL AFFIL PS & FB					891,106	917,839	945,374	973,736	1,002,948
TOTAL PS & FB				31.20	2,884,833	2,971,378	3,060,519	3,152,335	3,246,905
OTHER THAN PERSONAL SERVICES (OTPS)									
CATEGORY	DESCRIPTION								
SUPPLIES					25,000	25,000	25,000	25,000	25,000
SPACE					260,663	260,663	260,663	260,663	260,663
EQPT LEASE					14,000	14,000	14,000	14,000	14,000
OTHER					20,000	20,000	20,000	20,000	20,000
TOTAL OTPS					319,663	319,663	319,663	319,663	319,663
SUBTOTAL PS + OTPS COSTS					3,204,496	3,291,041	3,380,182	3,471,998	3,566,568
ADMINISTRATIVE OVERHEAD				10.50%	336,472	345,559	354,919	364,560	374,490
PROGRAM BUDGET									
TOTAL PROGRAM COST					3,540,968	3,636,600	3,735,101	3,836,557	3,941,057
GRANT & REVENUE BUDGET									
					REVENUE	REVENUE	REVENUE	REVENUE	REVENUE
PCAP					620,742	620,742	620,742	620,742	620,742
PRC					265,837	265,837	265,837	265,837	265,837
GERIATRICS					46,378	46,378	46,378	46,378	46,378
WIC					1,453,650	1,453,650	1,453,650	1,453,650	1,453,650
FPP					446,972	446,972	446,972	446,972	446,972
BDCC					376,050	376,050	376,050	376,050	376,050
INPT CREDIT					410,631	410,631	410,631	410,631	410,631
TOTAL GRANT & REVENUE					\$3,620,260	\$3,620,260	\$3,620,260	\$3,620,260	\$3,620,260
TOTAL SURPLUS/(DEFICIT)					\$79,292	(\$16,340)	(\$114,841)	(\$216,298)	(\$320,797)

Notes :
 1. BDCC is 10% of Total BDCC for FY15 Initial Budget
 2. Inpatient Revenue Credit is 18% of Total Inpatient Revenue within 30 days of Offsite Visit.

LICENSE AGREEMENT

**HUMAN RESOURCES ADMINISTRATION
MEDICAL ASSISTANCE PROGRAM**

VARIOUS FACILITIES

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a five-year revocable license agreement with the New York City Human Resources Administration (the "Licensee") to operate its Medical Assistance Program ("MAP") at six (6) Corporation facilities (the "Facilities") in a total of approximately 12,844 square feet for a total annual occupancy fee of approximately \$792,873 per year based on the facility Institutional Cost Reimbursement Rate ("ICR"), which range from \$40.30 per square foot, to \$86.78 per square foot, for an average of \$61.73 per square foot, to be escalated by 2% per year.

WHEREAS, in October 2009 the Corporation's Board of Directors authorized the President to execute a five-year agreement with the Licensee to operate MAP at various Facilities; and

WHEREAS, the Corporation has been receiving MAP services since 1991 which has been successful in increasing Medicaid reimbursements and reducing the Medicaid application rejection rate; and

WHEREAS, the Corporation desires to continue to allow the HRA MAP to occupy space and provide services at various Facilities.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation be and hereby is authorized to execute a five-year revocable license agreement with the New York City Human Resources Administration to operate its Medical Assistance Program at various Corporation facilities in a total of approximately 12,844 square for a total annual occupancy fee of approximately \$792,873 per year based on the facility Institutional Cost Reimbursement Rate ("ICR"), which range from \$40.30 per square foot, to \$86.78 per square foot, for an average of \$61.73 per square foot, to be escalated by 2% per year.

EXECUTIVE SUMMARY

LICENSE AGREEMENT NEW YORK CITY HUMAN RESOURCES ADMINISTRATION MEDICAL ASSISTANCE PROGRAM

- OVERVIEW:** The President seeks authorization to execute a revocable license agreement with the New York City Human Resources Administration (“HRA”) to operate its Medical Assistance Program (“MAP”) at various Corporation facilities.
- NEED/
PROGRAM:** The Medical Assistance Program has been operating at Corporation facilities since 1991. The program provides services to families and individuals seeking Medicaid coverage. Enrollment of eligible patients provides a benefit to the Corporation as it increases Medicaid revenues. For FY 2013, the program was responsible for approximately \$411.4 million in inpatient Medicaid reimbursement.
- The new license agreement will include the MAP sites at Kings County Hospital Center, Lincoln Medical and Mental Health Center, Metropolitan Hospital Center, North Central Bronx Hospital, East New York Diagnostic and Treatment Center, and Morrisania Diagnostic and Treatment Center.
- UTILIZATION:** 31,172 applications were processed in FY 2013.
- TERMS:** HRA will have use and occupancy of a total of approximately 12,844 square-feet of space. HRA will pay a total occupancy fee of approximately \$792,873 per year calculated using the Institutional Cost Rates (“ICR”) for each facility. The rates will be escalated by 2% per year. The facilities shall provide electricity, housekeeping services, and reasonable security to the licensed space.
- The term of the license agreement will not exceed five years without further approval of the Board of Directors and will be revocable by either party on thirty days written notice.

MAP SITES

Facility	Location	Floor Area (sf)	ICR (\$)	Annual Occupancy Fee (\$)
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Outpatient and Inpatient Sites

Kings Cty.	T-Bldg., 1st Floor	2,175	86.78	188,747
Lincoln	Basement	4,208	67.88	285,639
Metropolitan	OPD Bldg., 1st Floor	2,149	58.83	126,426
NCB	Rm 1A-05	1,462	40.3	58,919

Outpatient Sites

East NY	Basement	1,550	45.02	69,781
Morrisania	Basement	1,300	48.74	63,362
Total		12,844		792,873

SUBLEASE

**DRAPER HOMES
HOUSING DEVELOPMENT FUND CORPORATION
(HDFC)**

METROPOLITAN HOSPITAL CENTER

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a sublease with Draper Homes Housing Development Fund Corporation or such other housing development fund company as shall be approved by both the Corporation and the NYC Department of Housing Preservation and Development ("HPD") (the "HDFC") as nominee for Draper Hall Apartments LLC (the "LLC" in such capacities being referred to together with the HDFC, as "Tenant") of approximately 105,682 square feet or 2.426 acres on the campus of Metropolitan Hospital Center (the "Facility") for a term of 99 years, inclusive of tenant options, for the development of housing for low income elderly and/or disabled persons at a rent of not less than \$100,000 per year.

WHEREAS, there is an acute shortage of housing for low income elderly and/or disabled residents in the City of New York; and

WHEREAS, Tenant will enlarge, develop, and operate the existing Draper Hall, a structure of approximately 140,601 square feet above ground on the Facility's campus as a housing for low income elderly and/or disabled individuals, such development and operation to be subject to review and approval by the New York City Department of Housing Preservation and Development ("HPD") and such other lenders, investors, or government agencies as may be required by the financing and structure of the project; and

WHEREAS, Tenant will construct an addition of approximately 65,283 square feet; and

WHEREAS, approximately 3,146 square feet of the building is, and will continue to be, occupied by the New York City Fire Department's Emergency Medical Services and such space will not be included in the sublease to Tenant; and

WHEREAS, the Corporation leases its real estate properties from the City of New York under the 1970 Operating Agreement between the Corporation and the City of New York thereby making any further lease of such properties by the Corporation to a third party a sublease; and

WHEREAS, a Public Hearing was held September 10, 2014, in accordance with the requirements of the Corporation's Enabling Act, and prior to execution, the sublease will be subject to approval of the City Council and the Office of the Mayor.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation") be and hereby is authorized to execute a sublease with Draper Homes Housing Development Fund Corporation or such other housing development fund company as shall be approved by both the Corporation and the NYC Department of Housing Preservation and Development as nominee for Draper Hall Apartments LLC of approximately 105,682 square feet or 2.426 acres on the campus of Metropolitan Hospital Center (the "Facility") for a term of 99 years, inclusive of tenant options, for the development of housing for low income elderly and/or disabled persons at a rent of \$100,000 per year.

EXECUTIVE SUMMARY

SUBLEASE AGREEMENT METROPOLITAN HOSPITAL CENTER DRAPER HOMES HOUSING DEVELOPMENT FUND CORPORATION FOR THE BENEFIT OF DRAPER HALL APARTMENTS LLC

OVERVIEW: The President seeks authorization from the Board of Directors to execute a sublease with Draper Homes Housing Development Fund Corporation (the "HDFC") for the benefit of Draper Hall Apartments LLC (the "LLC" in such capacities being referred to together with the HDFC, as the "Tenant") for the development on the campus of Metropolitan Hospital Center of housing for low income elderly and/or disabled individuals. The project will involve the renovation and expansion of Metropolitan Hospital's Draper Hall, a structure originally constructed as a nurses' residence but that has been mainly unused for many years.

**NEED/
PROGRAM:** It is a priority of the City of New York to address the acute shortage of housing for low income elderly and/or disabled residents. The construction of the project will directly address the need for such housing. The location of the project close to Metropolitan Hospital Center will facilitate the provision of appropriate services for the residents by Metropolitan Hospital staff. The Tenant shall renovate the existing Draper Hall and will construct an addition of approximately 65,283 square feet. The new, enlarged structure will contain approximately 201 units of housing. The units will be a mix of one bedroom and studio apartments with an apartment for a live-in superintendent. The building will house low income elderly and/or disabled individuals

TENANT: The principals of the managing member of the LLC are principals of SKA Marin. SKA Marin is an experienced developer of low income housing for seniors and disabled tenants. SKA was the principal in Metro East 99th Street, a 176 unit building expecting TCO this month, across from Metropolitan Hospital Center. The project is the first Medicaid Redesign Project in New York State and will serve elderly and non-elderly tenants who can live independently but have previously been patients in HHC long-term care or who are under care at HHC for chronic conditions. SKA Marin has also been a principal in the successful development of Kings County Senior Residence on the Kings County Hospital Center campus pursuant to a sublease with the Corporation approximately eight years ago

The project will be financed with low income tax credits, a loan made by the Housing Development Corporation in conjunction with additional funding by the New York City Department of Housing Preservation and Development ("NYCHPD") and the City Council. Ongoing rents will be paid through project-based Section 8 vouchers issued by the New York City Housing Authority.

Because of the HPD loan requirements, the lease will be made in the name of the HDFC but the LLC will have all of the rights of the Tenant to enforce the lease terms, to perform the Tenant's obligations and to be recognized as the "beneficial tenant." The LLC will be responsible for the performance of the Tenant's obligations.

**Page Two – Executive Summary
Metropolitan Hospital**

TERMS:

The Corporation will enter into a sublease with the Tenant with a term of ninety-nine years, inclusive of Tenant options. The term of the sublease shall commence upon sublease execution.

The Tenant will be responsible for all costs associated with the development and operation of its housing program. Upon sublease execution construction shall commence. All plans and specifications of the project shall be subject to the prior approval of HPD and the Corporation which approval shall not be unreasonably withheld.

The cost for all utilities provided to the project will be the responsibility of the Tenant provided Tenant may pass the cost of utilities to the building residents. The Tenant will also be responsible for all structural and nonstructural interior and exterior, maintenance of, and repairs to, the property.

The Tenant will indemnify the Corporation and the City of New York and will provide adequate insurance against all liability arising from its use and occupancy of the property, naming the Corporation and the City of New York as additional insured parties such indemnity to exclude occurrences within the space to be occupied by the NYC Fire Department.

SUMMARY OF ECONOMIC TERMS

SKA Marin - Draper Hall
1918 First Avenue
New York, NY 10029

Program:	LAMP
Units:	203
Block #:	215
Lot #	1

SOURCES AND USES

Construction Sources		per DU	% of total
HDC First Mortgage	\$37,000,000	\$182,266	50.83%
HPD Second Mortgage	\$12,960,000	\$63,842	17.80%
HDC Second	\$11,165,000	\$55,000	15.34%
Tax Credit Equity	2,817,530	\$13,879	3.87%
Reso A Funds	2,000,000	\$9,852	2.75%
Deferred Developer's Fee	6,850,057	\$33,744	9.41%
NYSERDA	-		
GAP(SURPLUS)	\$0	\$0	0.00%
TOTAL SOURCES	\$72,792,587	\$358,584	100.00%

Permanent Sources			
HDC First Mortgage	13,760,000	\$67,783	18.90%
HPD Second Mortgage	12,960,000	\$63,842	17.80%
HDC Second	11,165,000	\$55,000	15.34%
Tax Credit Equity	31,093,559	\$153,170	42.72%
Reso A Funds	2,000,000	\$9,852	2.75%
Deferred Developer's Fee	\$1,631,029	\$8,035	2.24%
NYSERDA	183,000		
GAP(SURPLUS)	\$0	\$0	0.00%
TOTAL SOURCES	\$72,792,587	\$358,584	99.75%

Uses			
Acquisition Cost	\$0	\$0	0.00%
Construction Cost	\$51,579,481	\$254,086	70.86%
Soft Cost	13,613,049	\$67,059	18.70%
Developer's Fee	7,600,057	\$37,439	10.44%
TOTAL USES	\$72,792,587	\$358,584	100.00%

**CAPITAL EXPENDITURE APPROVAL
CONFERENCE AND TRAINING CENTER
METROPOLITAN HOSPITAL CENTER**

RESOLUTION

Authorizing the capital expenditure by the New York City Health and Hospitals Corporation (the "Corporation") of a total of \$3,500,000 for the construction of a Conference and Training Center at Metropolitan Hospital Center (the "Facility") to be financed with FEMA federal funds and New York City General Obligation bonds.

WHEREAS, Hurricane Sandy ("Sandy") damaged Draper Hall thereby eliminating Corporation access to the conference and training center space located within the building;

WHEREAS, replacement space for conference and training use will be constructed on the second and third floors of the Facility's Mental Health Building; and

WHEREAS, FEMA has obligated \$3,500,000 for this project as part of the FEMA Project Worksheet #3521 Category E Draper Hall Permanent Repairs.

NOW THEREFORE, be it

RESOLVED, that a capital expenditure of a total of \$3,500,000 shall be authorized by the New York City Health and Hospitals for the construction of a Conference and Training Center at Metropolitan Hospital (the "Facility") to be financed with FEMA federal funds and New York City General Obligation bonds.

EXECUTIVE SUMMARY

SOUTH MANHATTAN NETWORK METROPOLITAN HOSPITAL CENTER

CONSTRUCTION AUTHORIZATION

The Corporation seeks authorization for a capital expenditure of a total of \$3,500,000 for the construction of a Conference and Training Center at Metropolitan Hospital ("Metropolitan") to be financed with FEMA federal funds and New York City General Obligation bonds.

Hurricane Sandy ("Sandy") damaged Draper Hall thereby eliminating Corporation access to the conference and training center space located within the building. Replacement space for conference and training use will be constructed on the second and third floors of the Metropolitan's Mental Health Building. The scope of work includes renovation of approximately 6,700 square feet on the second floor and approximately 10,700 square feet on the third floor. The construction will include a new ceiling, lighting, electrical, mechanical, sprinkler, plumbing/toilet partitions as required, new flooring, paint, walls, doors/frames/hardware, drywall, granulated wall board ceiling soffits, AV/IT and Data, and a reception area. Additional work will be required on the seventh floor to accommodate the CSS program now located on the third floor. The \$3,500,000 project will be financed with FEMA federal funds in the amount of \$3,150,000 and New York City General Obligation bonds in the amount of \$350,000. Excluded from the \$3,500,000 is the cost for the purchase and installation of the AV/IT and Data equipment which will be funded with New York City General Obligation bonds through the EITS's EMR Upgrade project.



JUL 17 2014

Record Number: 105493
Certificate Number: 59673
Capital Project: 819 SAND3701

HEALTH AND HOSPITALS CORPORATION

Mr. Ramanathan Raju, Esq., President, New York City Health and Hospitals Corporation
Hon. Scott Stringer, Comptroller, City of New York
Ms. Roslyn Weinstein, Senior Assistant Vice President, Office of Facilities Development, NYCHHC
Hon. Gale Brewer, Manhattan Borough President

Section 219 of the New York City Charter and directives of the Mayor authorized thereunder require that prior to the initiation of design or advancement of any Capital Project, a scope defining services to be incorporated in contracts for the services of architects, engineers, landscape architects, etc., or for departmental employees and amounts for structures, works, furnishings and equipment, program of requirements and scope or range of operations shall be submitted for approval of the Director of Management and Budget or his duly authorized representative. Initially, preliminary scope approval and subsequently final scope approval incorporating preliminary plans and cost limitations shall be submitted for approval of the Director of Management and Budget or his duly authorized representative. In addition, the final design incorporating final contract documents must also be submitted for approval of the Director of Management and Budget or his duly authorized representative. Your request for approval pursuant to the above is approved as follows:

DESCRIPTION OF APPROVAL HEREBY GRANTED

**South Manhattan Healthcare Network
Construction of a Conference and Training Center at Metropolitan Hospital
Project ID: 819 SAND3701
HO-0214**

The Health and Hospitals Corporation is requesting a capital expenditure authorization in the amount of \$3,500,000 to fund the construction of a conference and training center at Metropolitan Hospital.

This project is funded in the Health and Hospitals Corporation's FY14 Capital Commitment Plan under Project ID 819 SAND3701, Unit of Appropriation 303, Budget Line HO-0214, and new budget Code SD30. 90% of this project (\$3,150,000) will be financed with FEMA federal funds, and the remaining 10% (\$350,000) will be financed with City bonds. Asbestos abatement work orders will be registered using pollution remediation detailed object codes.

Approved,

David Greenberg
Assistant Director

PROJECT STATUS REPORTS

Central/North Brooklyn Health Network
Queens Health Network

Network: CENTRAL / NORTH BROOKLYN HEALTH NETWORK

Facility: KINGS COUNTY HOSPITAL CENTER

Project Number	PROJECT TITLE	Project Budget (\$000s)	Paid to Date (\$ 000s)	% Paid to Date	Construction Start	Projected Completion	Forecast/ Actual Completion	Delay (if any)	Comments
29201101	Upgrade Ten (10) Elevators "ABC" Buildings	4,879	4,225	86.00%	Mar-14	May-14	Jun-14	(13)	Phase I (Freight elevators in the ABC Buildings): Completed and approved for operation by the NYC DOB. Phase II (one passenger elevator in each of the ABC Building plus the hydraulic elevator): All passenger elevators completed and approved for operation. For B Building hydraulic elevator: DOB appointment scheduled for May 23, 2014. Phase III (remaining passenger elevator in each of the ABC Buildings): scheduled for substantial completion for end of June 2014.

Facility: WOODHULL MEDICAL AND MENTAL HEALTH CENTER

Project Number	PROJECT TITLE	Project Budget (\$000s)	Paid to Date (\$ 000s)	% Paid to Date	Construction Start	Projected Completion	Forecast/ Actual Completion	Delay (if any)	Comments
48200803	Obstetric Unit Expansion	3,251	573	18.00%	Jun-13	Feb-15	Feb-15	(8)	Significant progress made over the last quarter. TDX Consultants are providing construction management services. Project is scheduled for completion on February 2015.

