

THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 793

Resolution approving the leasing of a vacant parcel of land located on the campus of the Woodhull Medical and Mental Health Center, Brooklyn (20075269 HHK; L.U. No. 398).

By Council Members Katz and Lappin

WHEREAS, the New York City Health and Hospitals Corporation, filed with the Council on March 7, 2007 notice of the Board of Directors authorization dated March 2, 2007 of the leasing agreement to Comunilife, Inc. of a vacant parcel of land located on the campus of the Woodhull Medical and Mental Health Center located at 760 Broadway (Block 1723/Lot 1), to be used for the development of service-enriched housing for adults living with mental illness, Community District 3, Borough of Brooklyn, upon the terms and conditions set forth in the Health and Hospitals Corporation resolution authorizing the leasing, a copy of which is attached hereto (the "Leasing");

WHEREAS, the Leasing is subject to review and action by the Council pursuant to Section 7385(6) of the Health and Hospitals Corporation Act;

WHEREAS, upon due notice, the Council held a public hearing on the Leasing on March 20, 2007; and

WHEREAS, the Council has considered the land use and financial implications and other policy issues relating to the Leasing;

RESOLVED:

Pursuant to Section 7385(6) of the Health and Hospitals Corporation Act, the Council approves the Leasing upon the terms and conditions set forth in the Board of Directors' resolution authorizing the Leasing, a copy of which is attached hereto.

Adopted.

Office of the City Clerk, }
The City of New York, } ss.:

I hereby certify that the foregoing is a true copy of a Resolution passed by The Council of The City of New York on March 28, 2007, on file in this office.

.....
City Clerk, Clerk of The Council

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation" or "Landlord") to execute a sublease with Comunilife, Inc. (the "Tenant"), for a parcel of vacant land to be used for the development of service-enriched housing for adults living with mental illness, on the campus of Woodhull Medical and Mental Health Center (the "Facility").

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

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

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

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

WHEREAS, a Public Hearing was held on September 28, 2005, in accordance with the requirements of the Corporation's Enabling Act; and

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

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation" or "Landlord") be and is hereby authorized to execute a sublease with Comunilife, Inc. (the Tenant"), for a vacant parcel of land to be used for the development of service-enriched housing for adults living with mental illness, on the campus of Woodhull Medical and Mental Health Center (the "Facility").

The Tenant shall have the use and occupancy of a parcel of vacant land on the Facility's campus measuring approximately 10,000 square feet (the "Demised Premises"). The Tenant shall develop a building containing approximately 29,000 square feet of floor area and 50 service-enriched studio apartments for adults living with mental illness.

The Tenant shall be responsible for all costs associated with the construction of the building and the development and operation of its housing program.

The initial term of the lease shall be forty-nine (49) years commencing on the date the Landlord delivers possession of the Demised Premises to the Tenant. The lease shall also contain two (2) twenty-five (25) year renewal options exclusive to the Tenant.

The base rent for the first five (5) years of the initial term shall be \$60,000 per annum. The base rent shall be escalated by 10% beginning in the sixth (6th) year of the initial term and thereafter at 10% every five (5) years for the balance of the term. At the commencement of each twenty-five (25) year term the annual base rent shall be increased to 95% of the fair-market value, as determined by an independent appraisal, and shall thereafter be escalated by 10% every five (5) years.

The Tenant shall begin construction subsequent to commencement of the initial term in accordance with plans and specifications prepared by the Tenant and approved by the Landlord, such approval not to be unreasonably withheld.

The cost for all utilities provided to the Demised Premises shall be the responsibility of the Tenant. The Tenant shall also be responsible for providing its own security for the Demised Premises.

The Tenant shall take good care of the Demised Premises, the curbs in front of, or adjacent to, the Demised Premises, water sewer and gas connections, pipes and mains, and shall keep the Demised Premises in good and safe order and condition, and shall make all repairs, interior and exterior, structural and nonstructural necessary to keep the Demised Premises in good and safe order and condition.

The Tenant shall keep clean and free from dirt, snow, ice, rubbish, obstructions and encumbrances the sidewalks, grounds, parking facilities, plazas, common areas, vaults, chutes, sidewalk hoists, railings, gutters, alleys, curbs or any other space in front of, or adjacent to, the Demised Premises.

The Tenant shall indemnify the Corporation and the City of New York and shall provide adequate insurance against all liability arising from its use and occupancy of the Demised Premises, naming the Corporation and the City of New York as additional insured parties.

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

OVERVIEW:

The President seeks authorization from the Board of Directors to execute a sublease with Comunilife, Inc. (the "Tenant"), for 10,000 square feet of vacant land for the development of service-enriched housing for adults living with mental illness on the campus of Woodhull Medical and Mental Health Center ("Woodhull").

**NEED/
PROGRAM:**

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

Comunilife shall have the use and occupancy of an approximately 10,000-square-foot parcel of land on Woodhull's campus. Comunilife shall develop a building containing approximately 29,000 square feet of floor areas and 50 service-enriched studio apartments for adults living with mental illness. Comunilife shall be responsible for all costs associated with the construction of the building and the development and operation of the housing program.

The Corporation and Comunilife shall establish protocols, consistent with NYSOMH regulatory restrictions, for the referral to Comunilife of patients discharged from HHC facilities and for Comunilife's acceptance of such patients who qualify for Comunilife's residential programs.

A Public Hearing was held on September 28, 2005, in accordance with the requirements of the Corporation's Enabling Act. Prior to lease execution, the proposed sublease is subject to approval by the City Council and the Office of the Mayor.

TERMS:

The base rent for the first five years of the initial term shall be \$60,000 per annum. The base rent shall be escalated by 10% beginning in the 6th year of the initial term and at 10% every five years thereafter.

TERMS: (cont'd.)

The annual base rent for each 25-year renewal term shall commence at 95% of the fair-market value, as determined by an independent appraisal, and shall thereafter be escalated by 10% every five (5) years.

Comunilife shall begin construction subsequent to commencement of the initial term in accordance with plans and specifications prepared by Comunilife and approved by the Landlord, such approval not to be unreasonably withheld.

The cost for all utilities provided to the Demised Premises shall be the responsibility of the Comunilife. The Tenant shall be responsible for providing its own security for the Demised Premises.

Comunilife shall take good care of the Demised Premises, water sewer and gas connections, pipes and mains, and shall keep the Demised Premises in good and safe order and condition, and shall make all repairs, interior and exterior, structural and nonstructural necessary to keep the Demised Premises in good and safe order and condition.

Comunilife shall keep clean and free from dirt, snow, ice, rubbish, obstructions and encumbrances, the sidewalks, grounds, parking facilities, plazas, common areas, vaults, chutes, sidewalk hoists, railings, gutters, alleys, curbs or any other space, in front of, or adjacent to the Demised Premises.

Comunilife shall indemnify the Corporation and the City of New York and shall provide adequate insurance covering all liability arising from its use and occupancy of the Demised Premises, naming the Corporation and the City of New York as additional insured parties.

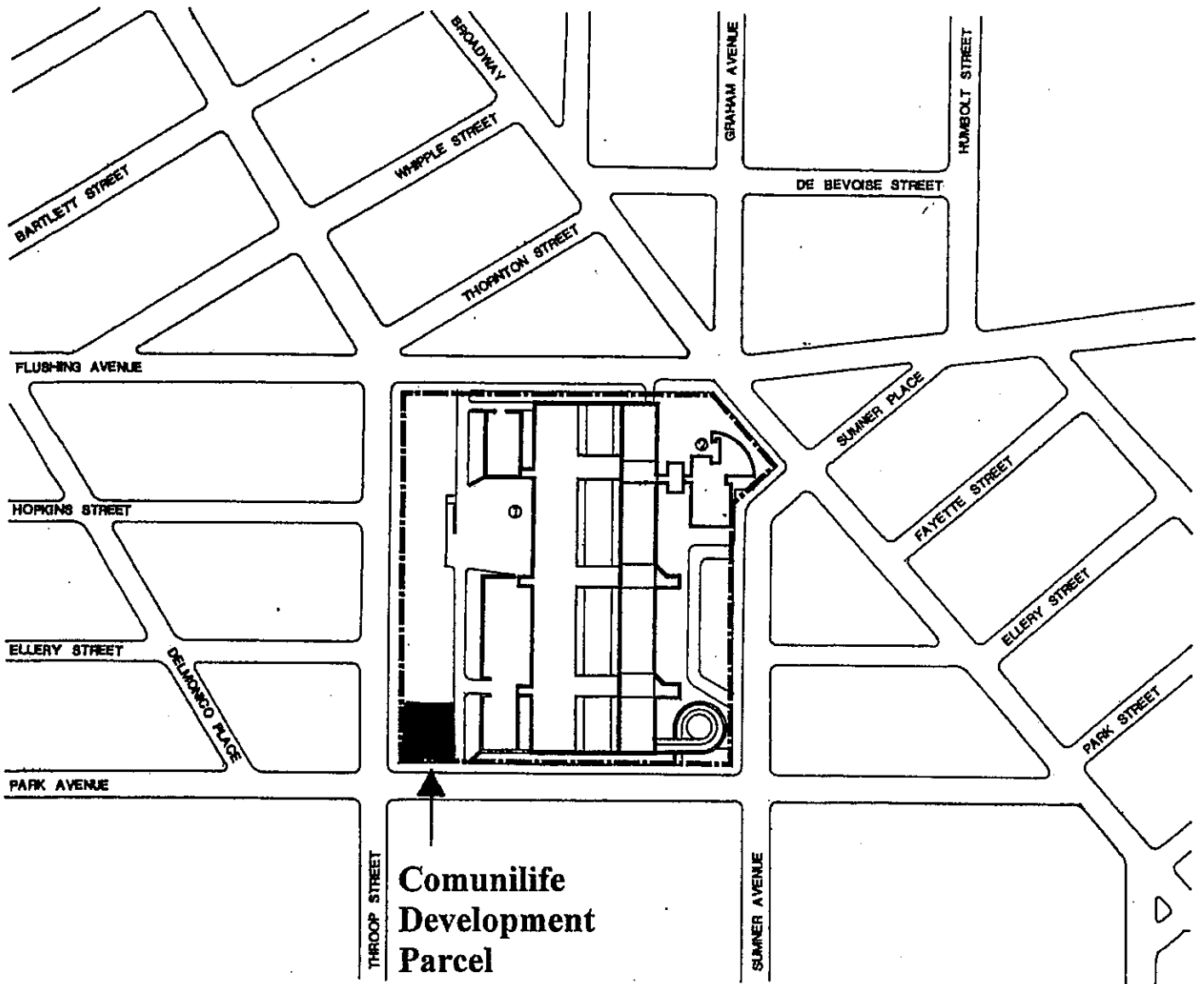
**SUMMARY OF ECONOMIC TERMS
SUBLEASE AGREEMENT
WOODHULL MEDICAL AND MENTAL HEALTH CENTER
COMUNILIFE, INC.**

- SITE:** Woodhull Medical and Mental Health Center
760 Broadway
Borough of Brooklyn
Block 1723, Lot 1
- SIZE:** Approximately 10,000 square feet
- RENT:** The base rent for the first five years of the initial term shall be \$60,000 per annum. The base rent shall be escalated by 10% beginning in the 6th year of the initial term and at 10% every five years thereafter for the balance of the term. The annual base rent for each 25-year renewal term shall commence at 95% of the fair-market value, as determined by an independent appraisal, and shall thereafter be escalated by 10% every five (5) years.
- UTILITIES:** The Tenant shall be responsible for the cost of all utilities provided to the Demised Premises.
- MAINTENANCE:** The Tenant shall take good care of the Demised Premises, the curbs in front of, or adjacent to, the Demised Premises, water sewer and gas connections, pipes and mains, and shall keep the Demised Premises in good and safe order and condition, and shall make all repairs, interior and exterior, structural and nonstructural necessary to keep the Demised Premises in good and safe order and condition.
- SECURITY:** The Tenant shall be responsible for providing its own security for the Demised Premises.

Woodhull Supportive Housing

<u>Year</u>	<u>Annual Payment</u>
1	60,000
2	60,000
3	60,000
4	60,000
5	60,000
6	66,000
7	66,000
8	66,000
9	66,000
10	66,000
11	72,600
12	72,600
13	72,600
14	72,600
15	72,600
16	79,860
17	79,860
18	79,860
19	79,860
20	79,860
21	87,846
22	87,846
23	87,846
24	87,846
25	87,846
26	96,630
27	96,630
28	96,630
29	96,630
30	96,630
31	106,293
32	106,293
33	106,293
34	106,293
35	106,293
36	116,922
37	116,922
38	116,922
39	116,922
40	116,922
41	128,614
42	128,614
43	128,614
44	128,614
45	128,614
46	141,476
47	141,476
48	141,476
49	141,476
TOTAL	4,639,729

1,212,169 (NPV@6%)



Woodhull Medical & Mental Health Center