



George Latimer
County Executive

Department of Social Services

Leonard G. Townes
Commissioner

96136

DATE: September 20, 2022

TO: Board of Acquisition and Contract

FROM: Leonard G. Townes
Commissioner, Department of Social Services

SUBJECT: Authority for the County to amend its lease agreement with Rajvi Management, LLC, pursuant to which it leased to the County guest rooms at the hotel known as the Ardsley Acres Hotel Court, which was to be used for the purpose of general isolation housing related to COVID-19, by, 1.) extending the term of the lease by one (1) month, and 2.) increasing the total amount payable under the agreement, based upon the extended term.

By a resolution approved on January 6, 2022, your Honorable Board authorized the County of Westchester (the "County") to enter into a lease agreement (the "Original Agreement") with Rajvi Management, LLC ("Ardsley Acres"), pursuant to which Ardsley Acres was to lease to the County twenty (20) guest rooms at the hotel known as the Ardsley Acres Hotel Court, located at 560 Saw Mill River Road in Ardsley, (the "Hotel") which were to be used for the purpose of general isolation housing related to COVID-19, at a rate of \$109.95 per room per night, with no additional cost for parking, for an initial term commencing at the Hotel's check-in time on January 6, 2022 and continuing through the Hotel's check-out time on March 31, 2022 (the "Initial Term"), with the County having the sole option to extend the term of the Original Agreement for up to three (3) additional months on the same terms as the Initial Term (each an "Option Term"). The Original Agreement was subsequently executed.

By a resolution approved on January 13, 2022, your Honorable Board authorized the County to, 1.) amend the Original Agreement by, a.) increasing the number of leased guest rooms from twenty (20) to thirty-five (35), effective January 13, 2022, and continuing through the remainder of the Initial Term and each Option Term that the

County might exercise; and b.) increasing the total amount payable under the Original Agreement, based upon the increased number of guest rooms, from \$184,716.00 to \$311,708.25, for the Initial Term, and with commensurate increases for each Option Term exercised by the County, based upon the number of rooms, daily rate, and number of days in each Option Term, (the "First Amendment") and 2.) agreeing, as part of the terms of the Original Agreement, to provide an indemnification to Ardsley Acres for certain damages that it may suffer from the County's use of the leased premises. The First Amendment was subsequently executed.

By a resolution approved on March 24, 2022, your Honorable Board authorized the County to 1.) amend the Original Agreement, as amended by the First Amendment, by, a.) decreasing the number of guest rooms to be leased under each County option term, from thirty-five (35) to ten (10), and b.) specifying the corresponding total amounts payable under the agreement for each County option term, based upon the decreased number of guest rooms, daily rate, and number of days in each option term, as follows:

First Option Term (4/1/22 to 4/30/22): \$32,985.00
Second Option Term (5/1/22 to 5/31/22): \$34,084.50
Third Option Term (6/1/22 to 6/30/22): \$32,985.00

and 2.) exercise the County's first option under the agreement, as amended, and therefore amend the agreement and extend its term by one (1) month, through the Hotel's check-out time on April 30, 2022, and increase the total authorized costs thereunder by \$32,985.00, from \$311,708.25 to \$344,693.25, to provide for the payments for the extended term (the "Second Amendment"). The Second Amendment was subsequently executed.

By a resolution approved on April 28, 2022, your Honorable Board authorized the County to exercise the County's second option under the Original Agreement, as amended by the First Amendment and the Second Amendment, and therefore amend the agreement and extend its term by one (1) month, through the Hotel's check-out time on May 31, 2022, and increase the total authorized costs thereunder by \$34,084.50, from \$344,693.25 to \$378,777.75, to provide for the payments for the extended term (the "Third Amendment"). The Third Amendment was subsequently executed.

By a resolution approved on May 26, 2022, your Honorable Board authorized the County to, 1.) amend the Original Agreement, as amended by the First Amendment, the Second Amendment, and the Third Amendment, by, a.) increasing the number of guest rooms to be leased, from ten (10) to fifteen (15), effective at the Hotel's check-in time on May 15, 2022, and b.) increasing the total amount payable under the Agreement for guest rooms during May by \$8,796.00, based upon the increased number of guest rooms, daily rate, and number of days with the increased number of guest rooms; and 2.) exercise the County's third option, and therefore amend the Agreement and extend its term by one (1) month, through the hotel's check-out time on June 30, 2022, and consequently increase the total authorized costs by \$49,477.50, for the lease of fifteen (15) guest rooms for June, based upon the increased number of guest rooms, daily rate,

and number of days in the month (the "Fourth Amendment"). The Fourth Amendment was subsequently executed.

By a resolution approved on July 7, 2022, your Honorable Board authorized the County to amend the Original Agreement, as amended by the First Amendment, the Second Amendment, the Third Amendment, and Fourth Amendment, by, 1.) extending the term of the lease by one (1) month, through the Hotel's check-out time on July 31, 2022, 2.) decreasing the number of guest rooms to be leased, from fifteen (15) to ten (10), effective at the Hotel's check-in time on July 1, 2022, and 3.) increasing the total amount payable under the Agreement, by \$34,084.50, to provide for the payments for the extended term (the "Fifth Amendment"). The Fifth Amendment was subsequently executed.

By a resolution approved on August 4, 2022, your Honorable Board authorized the County to amend the Original Agreement, as amended by the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, and the Fifth Amendment, by, 1.) extending the term of the lease by one (1) month, through the Hotel's check-out time on August 31, 2022, 2.) increasing the number of guest rooms to be leased, from ten (10) to fifteen (15), effective at the Hotel's check-in time on August 1, 2022, and 3.) increasing the total amount payable under the Agreement, by \$51,126.75, to provide for the payments for the extended term (the "Sixth Amendment"). The Sixth Amendment was subsequently executed.

By a resolution approved on August 25, 2022, your Honorable Board authorized the County to amend the Original Agreement, as amended by the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, and the Sixth Amendment, by, 1.) extending the term of the lease by one (1) month, through the Hotel's check-out time on September 30, 2022, and 2.) increasing the total amount payable under the Agreement, by \$49,477.50, to provide for the payments for the extended term (the "Seventh Amendment"). The Seventh Amendment was subsequently executed.

The County has determined that, due to the current situation regarding COVID-19 in Westchester County, it will continue to need the space provided under the Original Agreement, as heretofore amended (the "Agreement").

Accordingly, the County respectfully requests authority from your Honorable Board to amend the Agreement by, 1.) extending the term of the lease by one (1) month, through the Hotel's check-out time on October 31, 2022, and 2.) increasing the total amount payable under the Agreement, by \$51,126.75, to provide for the payments for the extended term (the "Eighth Amendment").

Except as specifically described above, all terms and conditions of the Agreement will remain in full force and effect.

The proposed Eighth Amendment will serve a public purpose by providing the

County with access to necessary housing for COVID-19-related isolation purposes, which is intended to help the ill and prevent others from becoming ill.

The goal and objective of the proposed Eighth Amendment is to provide the County with access to necessary housing for COVID-19-related isolation purposes, which is intended to help the ill and prevent others from becoming ill.

The goal and objective of the proposed Eighth Amendment is in the best interests of the County in terms of health and safety, as providing the County with access to necessary housing for COVID-19-related isolation purposes, which is intended to help the ill and prevent others from becoming ill, will ensure that such persons have safe housing while any possible illness issues are resolved.

The goal and objective of the proposed Eighth Amendment will be tracked and monitored by the staff of the Department of Social Services.

As an amendment to a lease, the proposed Eighth Amendment is exempt from the Westchester County Procurement Policy pursuant to Section 3(b) thereof.

Section 13 of the Westchester County Procurement Policy specifies that each procurement that is funded, in whole or in part, by federal funds shall be made in accordance with any and all applicable federal laws, regulations, rules, guidance, instructions, or grant terms. To the extent that the regulation is applicable, this procurement complies with 2 C.F.R. 200.320(c)(3), which allows for non-competitive procurement when “[t]he public exigency or emergency for the requirement will not permit a delay resulting from publicizing a competitive solicitation”, based on the emergency that currently exists with regard to COVID-19 and the related urgent need for housing that can be used for isolation purposes.

To the extent that the regulation is applicable, the County has complied with 2 CFR 200.318(d) in that the County has determined that a lease, rather than a purchase of real property, is the most economical approach, given the County’s particular needs in terms of the space needed, the required start date, and the intended duration.

Under 2 CFR 200.465, which contains the Federal ‘cost principles’ applicable to lease costs for real property where Federal funds are used, “rental costs are allowable to the extent that the rates are reasonable in light of such factors as: rental costs of comparable property, if any; market conditions in the area; alternatives available; and the type, life expectancy, condition, and value of the property leased.” To the extent that the regulation is applicable, the County has complied with this provision in that the County has determined that, based upon the pertinent factors, the rental costs are reasonable.

I respectfully recommend the adoption of the attached resolution.

LGT/MC/bdm/nn

RESOLUTION

Upon a communication from the Commissioner of the Department of Social Services, be it hereby:

RESOLVED, that the County of Westchester (the "County") is hereby authorized to amend its lease agreement with Rajvi Management, LLC ("Ardsley Acres"), pursuant to which Ardsley Acres was to lease to the County guest rooms at the hotel known as the Ardsley Acres Hotel Court, located at 560 Saw Mill River Road in Ardsley, (the "Hotel") which were to be used for the purpose of general isolation housing related to COVID-19, at a rate of \$109.95 per room per night, with no additional cost for parking, for the period from the Hotel's check-in time on January 6, 2022 through the Hotel's check-out time on September 30, 2022, (the "Agreement") by, 1.) extending the term of the Agreement by one (1) month, through the Hotel's check-out time on October 31, 2022, and 2.) increasing the total amount payable under the Agreement, by \$51,126.75, to provide for the payments for the extended term; and be it further

RESOLVED, that except as specifically hereby authorized to be modified, all terms and conditions of the Agreement shall remain in full force and effect; and be it further

RESOLVED, that the County Executive or his duly authorized designee is empowered to execute all documents and take all actions necessary to effect the purpose of this resolution.

Original Agreement: \$184,716.00
 1st Amendment: \$126,992.25
 2nd Amendment: \$ 32,985.00
 3rd Amendment: \$ 34,084.50
 4th Amendment: \$ 58,273.50
 5th Amendment: \$ 34,084.50
 6th Amendment: \$ 51,126.75
 7th Amendment: \$ 49,477.50
 This Amendment: \$ 51,126.75
 TOTAL: \$622,866.75

1. Account to be Charged/Credited:

Fund	Dept.	Major Program, Program & Phase Or Unit	Object/ Sub- Object	Trust Account	Dollars
101	22	8900	5998		\$51,126.75

2. Budget Funding Year(s): 2022

Start Date: October 1, 2022 End Date: October 31, 2022
 (must match resolution)

3. Funding Source:

Federal	90%	CFDA#(s)	93.137		
State	2.9%	State ID#(s)	N/A		
Operating/ Tax Levy	7.1%				
Capital	N/A				

4. Total NTE: \$51,126.75
 (must match resolution)