CALL TO ORDER

José Pagán

• ADOPTION OF MINUTES – September 11, 2023
José Pagán

• VICE PRESIDENT’S REPORT
Manuel Saez, PhD

ACTION ITEMS

• Resolution
Leora Jontef / Jeremy Berman / Mercedes Redwood
Authorizing the New York City Health and Hospitals Corporation (the “System”) to sign a five-year license agreement with Everytable, PBC (“Everytable”) for its use and occupancy of approximately 500 square feet at NYC Health + Hospitals/Queens (“Queens”) for a retail food operation at an initial rate of $50/square foot or $25,000 per year to increase by 2% per year for a total occupancy fee over the term of $130,101 with such agreement to be terminable by each party on thirty days’ notice without cause.

Vendex: NA
EEO: NA

• Resolution
Leora Jontef / Jeremy Berman / Mercedes Redwood
Authorizing the New York City Health and Hospitals Corporation (the “System”) to sign a five-year license agreement with Everytable, PBC (“Everytable”) for its use and occupancy of approximately 360 square feet at NYC Health + Hospitals/Harlem (“Harlem”) for a retail food operation at an initial rate of $50/square foot or $23,400 per year to increase by 2% per year for a total occupancy fee over the term of $121,775 with such agreement to be terminable by each party on thirty days’ notice without cause.

Vendex: NA
EEO: NA

• Resolution
Leora Jontef / Jeremy Berman / Mercedes Redwood
Authorizing the New York City Health and Hospitals Corporation (the “System”) to sign a five-year license agreement with Everytable, PBC (“Everytable”) for its use and occupancy of approximately 360 square feet at NYC Health + Hospitals/Kings (“KCHC”) for a retail food operation at an initial rate of $45/square foot or $16,200 per year to increase by 2% per year for a total occupancy fee over the term of $84,305 with such agreement to be terminable by each party on thirty days’ notice without cause.

Vendex: NA
EEO: NA
• Resolution  Manuel Saez
Authorizing New York City Health and Hospitals Corporation (the “System”) to further increase the funding by $3,477,599 for its previously executed agreement with Array Architects, Inc. (“Array”) for architectural/engineering services for the renovation of space at NYC Health + Hospitals/Bellevue Hospital (“Bellevue”) and NYC Health + Hospitals/Woodhull Hospital (“Woodhull”) in connection with the System’s Correctional Health Services (“CHS”) initiative to treat its patients who require higher levels of care in its Outposted Therapeutic Housing Units (“OTxHU”), which follows previous funding increases of $1,814,880 authorized in November 2021 and $6,409,289 in November 2022, and $1,960,238 in May 2023, such that the funding is increased from $18,847,407 to $22,325,006.

Vendex: Pending
EEO: Approved

• Resolution  Manuel Saez
Authorizing New York City Health and Hospitals Corporation (the “System”) to further increase the funding by $2,400,000 for its previously executed agreement with AECOM USA, Inc. (“AECOM”), to provide program management services at NYC Health + Hospitals/Bellevue Hospital (“Bellevue”) and NYC Health + Hospitals/Woodhull Hospital (“Woodhull”) in connection with the System’s Correctional Health Services (“CHS”) initiative to treat its patients who require higher levels of care in its Outposted Therapeutic Housing Units (“OTxHU”), which follows previous funding increases of $1,498,738 authorized in May 2023 such that the funding is increased from $16,635,305 to $19,035,305.

Vendex: Approved
EEO: Pending

• Resolution  Manuel Saez
Authorizing New York City Health and Hospitals Corporation (the “System”) to further increase the funding by $43,022,528 and until April 2025 for its previously executed contract with Consigli Construction Co., Inc. (“Consigli”) to serve as construction manager/builder under a guaranteed maximum price (“GMP”) structure for the construction and construction management of the System’s Correctional Health Services (“CHS”) initiative to treat its patients who require higher levels of care in its Outposted Therapeutic Housing Unit (“OTxHU”) at NYC Health + Hospitals/Bellevue (“Bellevue”), which follows previous funding increases of $19,421,612 authorized in May 2022, and $19,638,719 authorized in May 2023, such that the current funding is increased from $159,969,414 to $202,991,942 to cover construction and construction management at Bellevue only and to extend the contract completion date to April 30, 2025.

Vendex: Pending
EEO: Approved

OLD BUSINESS

NEW BUSINESS

ADJOURNMENT
CAPITAL COMMITTEE MINUTES

September 11, 2023
Mr. José Pagán called the meeting to order at 11:16 a.m. and noted for the record Dr. Machelle Allen is representing Dr. Mitchel Katz, in a voting capacity.

Mr. Pagán called for a motion to approve the June 5, 2023 minutes of the Capital Committee meeting.

Upon motion made and duly seconded the minutes of the Capital Committee meeting held on June 5, 2023, were unanimously approved.

First on the agenda - Jeremy Berman, read the resolution:

**Authorizing New York City Health and Hospitals (the “System”) to sign a 5-year license terminable by the System without cause with K & M Medical PLLC Group d/b/a Mobile Vascular Physicians (“MVP”) for MVP’s use of 414 sf at NYC Health + Hospitals/Carter (“Carter”), 216 sf at NYC Health + Hospitals/Coler (“Coler”), 120 sf at NYC Health + Hospitals/McKinney (“McKinney”), and 125 sf at NYC Health + Hospitals/Seaview (“Seaview”) as examination rooms in connection with MVP’s vein care practice at initial rates of $47/sf at Carter, $57/sf at Coler, $25/sf at McKinney and $40/sf at Seaview for an initial yearly fee of $74,859 for the four spaces to increase by 3%/year for a total over the 5-year term for the four spaces of $177,698.**

Khoi Luong, Senior Vice President, Post-Acute Care Operations narrated a presentation providing an overview of the proposed services, background of MVP, and terms of the license agreement.

Mrs. Hernandez-Piñero asked if there was enough business generated to establish these services. Mr. Luong said yes, the model had been replicated successfully at other sites and they were confident that the operation would support the volume of need.

Mrs. Hernandez-Piñero asked if bedside services were being provided at the four sites being discussed. Mr. Luong said the physical exam is conducted on-site at the bed side and then a surgical recommendation is made. Surgical recommendations were carried out at an ambulatory surgery center.

Dr. Allen asked what services were provided at bedside and what was done at the surgery center. Dr. Luong said mainly history taking, physical examination and care coordination were performed at bedside,
not procedures. Any procedures, even minor, would be conducted at the surgery center.

Dr. Allen noted that this RFP was only associated with services at the four listed sites and services were provided by MPV at Gouverneur under a separate contract. Mr. Luong noted that only bedside services were provided at Gouverneur. There was a lack of suitable space at Gouverneur to be included in this lease agreement.

After discussion - Upon motion duly made and seconded the resolution was approved for consideration by the Board of Directors.

Jeremy Berman read the resolution:

Authorizing the New York City Health and Hospitals Corporation (the “System”) to sign a five-year license agreement with Tasty Picks, Inc. #2 (“Tasty Picks”) for its use and occupancy of 2,500 square feet at NYC Health + Hospitals/Metropolitan (“Metropolitan”) for a retail food operation at an initial rate of $30/square foot or $74,400 per year to increase by 2% per year for a total occupancy fee over the term of $107,723.63 such agreement to be terminable by either party on thirty days’ notice without cause.

Mr. Berman narrated a presentation providing background information, solicitation process, vendor, agreement terms, and anticipated services.

Dr. Machelle Allen noted that some of our facilities had Au Bon Pain as a food provider and why that was not a system-wide arrangement. Mr. Berman said that Central Office Supply Chain was in favor of a system-wide vendor but it had proven difficult because some locations are larger than others and can do something more ambitious and make income of food locations while some of the smaller hospitals need to be subsidized and that created some tension and proved to be difficult. Mr. Berman noted that Au Bon Pain was operating under site specific contracts and not a broader agreement.

Mrs. Hernandez-Piñero commented that a system-wide agreement may be more cost effective.

After discussion - Upon motion duly made and seconded the resolution was approved for consideration by the Board of Directors.

Mr. Saez read both resolutions for consideration with one presentation:

Authorizing the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) to execute a requirements contract with Jemco Electrical Contractors, Inc. (the “Contractor”), for a not to exceed amount of $10,000,000, to provide general construction services on an
as-needed basis at various NYC Health + Hospitals’ facilities over a term of two years.

Authorizing the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) to execute a requirements contract with BA Global Construction Corp. (the “Contractor”), for a not to exceed amount of $10,000,000, to provide general construction services on an as-needed basis at various NYC Health + Hospitals’ facilities over a term of two years.

Mahendranath Indar narrated a presentation providing background information, summary of anticipated services, overview of procurement, and WMBE utilization plan.

Upon motion duly made and seconded the resolutions were approved for consideration by the Board of Directors.

Mr. Saez, read the resolution:

Authorizing New York City Health and Hospitals Corporation (the “System”) to execute a contract with Jemco Electrical Contractors (the “Contractor”) to undertake a renovation of the Behavioral Health Units located on the 12th, 18th, and 20th Floors at Bellevue Hospital Center (“Bellevue”), to create a ligature resistant environment, for a contract amount of $12,779,569 with a 10% project contingency of $1,277,956 to bring the total cost not to exceed $14,057,525.

Anniqua Brown, Senior Director, Office of Facilities Development, narrated a presentation providing background information, overview of project scope, solicitation process, contract terms, MWBE status, and project budget. Ms. Brown was joined by Oscar Gonzalez, Senior Assistant Vice President, Office of Facilities Development.

Dr. Allen asked if any behavioral health unit updates had been completed to date. Ms. Brown said yes, two units were updated using Job Order Contract (JOC) vendors not public bid. The public bid should allow for a more competitive cost and allows 6 units to be complete at a time with the goal of having all complete by summer of 2025, with individual units will be turned over as they are completed.

Mrs. Hernandez-Piñero asked how many individual rooms there were all together. Mr. Gonzalez said he believes it was 26-27 patients per unit.

Mrs. Hernandez-Piñero asked if Bellevue was behind the times with regards to the anti-ligature regulations. Mr. Gonzalez explained that regulatory aspects of anti-ligature change so quickly that keeping up with codes is a constant effort. Dr. Machelle Allen noted that entire units needed to be updated as a result of an incident that had happened.
Mrs. Hernandez-Piñero asked why there were only two GC contracts being presented when there were previously three. Mr. Indar said there was another contract under review.

After discussion - Upon motion duly made and seconded the resolutions were approved for consideration by the Board of Directors.

**VICE PRESIDENT REPORT**

Manuel Saez provided the Vice President’s for the Office of Facilities Development report.

Mr. Saez noted that as the fiscal year closed on June 30th, he was reflecting on the accomplishments of the Facilities Development team this past year. On the capital front, there has been a tremendous effort in partnership with our colleagues in finance.

Our capital budget and payments team facilitated the commitment of over $507M in capital contracts, representing over 1,169 purchase orders. Of these contracts, approximately $349M is City Capital and our infrastructure commitment rate for FY-23 was 73%. Our payments team processed over 4,300 payment vouchers this year, which is a 71% increase in transactions when compared to the 2,500 that were processed last year. Our budget team was able to authorize over $482M, $460M of City Capital, and $22M in non-city capital in infrastructure-related budget expenditures– a slight increase from last year’s $467M.

For the status of our bond portfolio, we have 10 projects in active construction and 22 in substantial completion, with all projects estimated to be in substantial completion by the end of this calendar year.

Our facility operations team is hard at work preparing for the upcoming Joint Commission Surveys at NYC H+H/Carter, NYC H+H Coney Island, NYC H+H Lincoln, and NYC H+H Kings County.

This fiscal year we are working in earnest to move forward Brooklyn Borough President Reynoso’s generous contribution to our capital program at our three Brooklyn Acute Care Hospitals, NYC H+H Woodhull, NYC H+H South Brooklyn, and NYC H+H Kings County. With this funding, we will make major modifications to the Labor and Delivery Units of these three facilities to improve clinical workflow and the patient experience. We are also finalizing the contracts for our System-wide Master Planning pool and expect to have these services available for use by our facilities this fiscal year.

This month, we had four items to present to the committee – securing new Job Order Contracts for General Contracting Services, constructing new Anti-Ligature supports in NYC H+H/Bellevue’s Mental Health Units,
bringing new food options to NYC H+H/Metropolitan, and leasing space for vein treatments at NYC H+H/Carter, NYC H+H/Coler, NYC H+H/McKinney, and NYC H+H/Seaview.

Mrs. Hernandez-Piñero asked if the system-wide master planning contracts were those discussed at a prior meeting that would involve prioritizing projects throughout the system. Mr. Saez said yes. She asked what it meant when they said finalizing the contracts. Mr. Saez said they were finalizing the language of the contracts, obtaining signatures, registering the contracts and then determining best ways to distribute and initiate services.

Mrs. Hernandez-Piñero said she has trouble understanding the services. Mr. Saez said that the consultants will be able to provide overview on potential of the campuses and the facilities from an outside perspective.

Mrs. Hernandez-Piñero asked how we would determine allocation of funding for the planning or anticipate costs. Mr. Gonzalez said that two master planning efforts had been initiated at facilities already so there was a knowledge of anticipated cost. The information that came out of the master planning would help identify needs and cost of those needs.

Mrs. Hernandez-Piñero said she would like to see a completed master plan for edification.

Mr. Pagán asked about anticipated timeline. Mr. Gonzalez said it was dependent on size of facility but ranging from one year to two.

Mr. Pagán said he agreed with Mrs. Hernandez-Piñero and would like an opportunity to see a competed master plan.

Mrs. Hernandez-Piñero asked about staffing. Mr. Saez said it was always a challenge to find the right talent but we have had much success.

Dr. Allen noted, as a customer, that OFD was a great team to work with and were responsive and accessible and professional.

There being no further business, the Committee Meeting was adjourned at 12:14 p.m.
VICE PRESIDENT’S REPORT
GOOD AFTERNOON,

It has been an eventful month for our office. As we all know, there was devastating flooding throughout New York City last month and it impacted several of our facilities. Woodhull Hospital was severely affected, with the flooding causing widespread electrical issues that required an emergency response from the hospital and our facilities staff. Emergency generators were put to use and there was an active planning of a full evacuation. Our teams worked around the clock to get systems back up running, including boilers, chillers, air handlers, and other repairs. I am very proud of the exhaustive efforts we put into the work, including collaborative efforts with external contractors and sister hospitals. While this was a terrible situation for Woodhull, the entire team and organization came together to provide the best outcomes for our patients with the least possible disruptions.

We are moving forward with replacing the boilers at Harlem. Looking forward to a 2-year endeavor via Design-Build to overhaul and upgrade our Boiler plant which will utilize new technologies that will provide consistent, reliable and redundant service to our facility while reducing the carbon footprint. We have installed the temporary boilers and ensuring that there are sound barriers in place. We are currently awaiting inspection.

Last month we celebrated facilities week, where we acknowledged our incredible teams for the difficult and essential work that they do. We celebrated with breakfasts and lunches, and an Insider article. Our teams were thankful for the acknowledgement of the important and hard work each and every team member contributes to our organization

For Capital Committee this month, we have two items with six resolutions. We are bringing a new food vendor to Harlem, Kings, and Queens hospitals, and are looking to increase funding for our high-profile OTxHU project.
LICENSE AGREEMENTS

EVERYTABLE, PBC

FOOD OPERATIONS

NYC HEALTH + HOSPITALS / QUEENS
RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the “System”) to sign a five-year license agreement with Everytable, PBC (“Everytable”) for its use and occupancy of approximately 500 square feet at NYC Health + Hospitals/Queens (“Queens”) for a retail food operation at an initial rate of $50/square foot or $25,000 per year to increase by 2% per year for a total occupancy fee over the term of $130,101 with such agreement to be terminable by each party on thirty days’ notice without cause.

WHEREAS, Queens has no 24/7 retail food service to meet the needs of staff and visitors; and

WHEREAS, the System’s primary goal in establishing retail food service operations is to ensure affordable and healthy food for its staff and visitors and not to maximize the revenue; and

WHEREAS, Everytable offers inexpensive but healthy food using a retail food service model in which food is prepared remotely and delivered daily to its outlets thus requiring less space in which to operate thereby keeping its costs and prices low; and

WHEREAS, Queens joined with other System facilities in searching for food vendors, participated in taste tastings, entertained competing proposals and chose Everytable as offering the best food and best value; and

WHEREAS, responsibility for the operation of the proposed food service operation and administering the proposed agreement will be with the Executive Director of Queens.

NOW, THEREFORE, be it

RESOLVED, that the New York City Health and Hospitals Corporation (the “System”) be and hereby is authorized to sign a five-year license agreement with Everytable, PBC (“Everytable”) for its use and occupancy of approximately 500 square feet at NYC Health + Hospitals/Queens (“Queens”) for a retail food operation at an initial rate of $50/square foot or $25,000 per year to increase by 2% per year for a total occupancy fee over the term of $130,101 with such agreement to be terminable by each party on thirty days’ notice without cause.
EXECUTIVE SUMMARY

EVERYTABLE PBC
LICENSE AGREEMENT FOR FOOD SERVICE OPERATIONS AT
NYC HEALTH + HOSPITALS/QUEENS

OVERVIEW: Queens needs additional retail food options because none are currently 24/7. Queens joined with other System facilities in performing informal searches for appropriate vendors over many months. They received presentations and taste testings, considered the very low prices of the Everytable menus and healthy quality of the food and all determined that Everytable was the best choice for their facility.

VENDOR: EveryTable is a Delaware Public Benefit Corporation with operations in Los Angeles, California and New York City. The company grew out of a non-profit organization focused on addressing food related health problems in South LA. EveryTable’s mission is to transform the food system to make fresh, nutritious food accessible to everyone, everywhere. The food is prepared in a central kitchen in Brooklyn from which there are daily delivery of fresh food. EveryTable is currently operating at Jacobi and will soon be launching at Metropolitan and South Brooklyn. Together with this resolution, approval is also sought for EveryTable to operate at Kings County and Harlem.

BACKGROUND: EveryTable is a Delaware Public Benefit Corporation with operations in Los Angeles, California and New York City. The company grew out of a non-profit organization focused on addressing food related health problems in South LA. EveryTable’s mission is to transform the food system to make fresh, nutritious food accessible to everyone, everywhere. The food is prepared in a central kitchen in Brooklyn from which there are daily delivery of fresh food. EveryTable is currently operating at Jacobi and will soon be launching at Metropolitan and South Brooklyn. Together with this resolution, approval is also sought for EveryTable to operate at Kings County and Harlem.

TERMS: The proposed agreement will be for five years and will be terminable by each party without cause on thirty days’ notice. The three agreements will have similar menus and the same restriction on increases in prices, except as necessary to keep up with increases in the CPI. Though the menus will be similar, there will be variations to account for local cultural difference and preferences.

Everytable will be licensed approximately 500 square feet at Queens at an initial rate of $50/square foot or $25,000 per year to increase by 2% per year for a total occupancy fee over the term of $130,101.
PROPOSED FLOOR PLAN

GENERAL NOTES

NOTES

EXISTING WALL
EXISTING STOREFRONT
EXISTING WALL TO SEDO
NEW INTERIOR WALL
NEW INTERIOR LOW WALL
LEASE LINE
LEASE AREA 5,000 SF

USABLE SR. 4/-507
PREVIOUS TENANT, ANDY'S CAFE

POP SINK LOCATED IN REMOTE JANITORIAL ROOM, PROVIDED BY QUEENS HOSPITAL

PLUMBING NOTES:
1. PROVIDE SNAILED FLOOR SINK FOR (A) ICE MACHINE, (B) ESPRESSO MACHINE AND (C) PITCHER RINSE.
2. PROVIDE COLD WATER WITH SHUT OFF AND VACUUM BREAKER FOR (A) ESPRESSO MACHINE, (B) COFFEE BREWER.
3. PROVIDE HOT AND COLD WATER CONNECTIONS FOR 3-COMPARTMENT SINK.
4. PROVIDE 34" THROUGH THE FLOOR SOIL CONNECTION FOR GREASE TRAP.
5. PROVIDE SCHER 60-1 GREASE TRAP FOR 3-COMPARTMENT SINK.

DRAWN BY:

DATE:
09/06/2023

SCALE:
1/8" = 1'-0"

STORE #

TEST FIT #

N/A
September 29, 2023

Ms. Leora Jontef
Assistant Vice President, Housing + Real Estate
NYC Health + Hospitals
50 Water Street
New York, NY 10004

Re: Fair Market Value/Appraisal of space within Queens Hospital Center
Regarding Food Service Operator, Everytable
On behalf of NYC Health + Hospitals Corporation

Dear Ms. Jontef:

Pursuant to your request, you have asked for a Fair Market Value/Appraisal report for the referenced property and location in order to assess its fair market value (FMV) at current rates. This assessment is inclusive of the value of tenant improvements and specified operating expenses such as utilities, housekeeping, security, service contracts, structural repairs, etc. As the licensor is designated as a not for profit, 501(c)(3) exempt corporation, real estate taxes are not applicable, however this should also be considered when evaluating the value of the space in order to provide a comprehensive FMV. This appraisal will assess the estimated value to establish a current base rent inclusive of the tenant improvements and operating expenses for use as a food service establishment. This evaluation is subject to the following:

- The contemplated unit for use as food service is currently occupied for food service prep, sales and consumption, and is appropriately zoned and legal for the current use of the space.
- The proposed licensee will occupy approximately a total of 500 SF on the first floor of the Main Hospital near the lobby, within the referenced hospital center.
- This evaluation is for the purpose of establishing the current FMV to license the referenced properties and considers numerous factors including but not limited to location, market conditions, market area comparables, lease terms and conditions, as well as tenant improvements.

The referenced food service space is located within the medical complex of Queens Hospital located at 82-68 164th St, Queens, NY 11432 in the Hillcrest market area.

It is our experience that space within built medical facilities is valued at a premium, simply because it is a finite resource which is in demand. However, when assessing the value, that the client base is limited to foot traffic within the hospital, which may negatively impact the success of the licensee. The licensee will not promote its presence and the average pedestrian walking by the building would not be aware of this food service operation.
CONCLUSION

For the purpose of this appraisal, we assume that all operating expenses, i.e., security, refuse removal, utilities, structural repairs and structural maintenance, service contracts, etc. are provided by the licensor/hospital.

This analysis finds that the FMV for this space is essentially a hybrid, due to the location of the spaces, use, captive audience, and lack of ability or need to promote as a true retail food service operation. It does provide the licensee with an immediate customer base. It is our professional opinion, therefore, that the value of the referenced ground floor space is approximately $50-$53 per RSF.

It would be appropriate for the licensee to negotiate an escalation provision to the base rent/fee of 2.5% commencing in the second year of the license agreement. This increase would be annually and compounded. These terms would be commercially fair and reasonable based on the data and information assessed in this report.

In the event that I can be of any further assistance to you, please do not hesitate to call.

Thank You.

Very Truly Yours,

Michael E. Dubin
Executive Managing Director
Helmsley Spear
# Comps for Hillcrest, Queens, NY Submarket

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<th>Address</th>
<th>Cross Streets</th>
<th>Square Feet</th>
<th>Price Per SF</th>
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LICENSE AGREEMENTS

EVERYTABLE, PBC

FOOD OPERATIONS

NYC HEALTH + HOSPITALS / HARLEM
RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the “System”) to sign a five-year license agreement with Everytable, PBC (“Everytable”) for its use and occupancy of approximately 360 square feet at NYC Health + Hospitals/Harlem (“Harlem”) for a retail food operation at an initial rate of $50/square foot or $23,400 per year to increase by 2% per year for a total occupancy fee over the term of $121,775 with such agreement to be terminable by each party on thirty days’ notice without cause.

WHEREAS, Harlem has no retail food service to meet the needs of staff and visitors; and

WHEREAS, the System’s primary goal in establishing retail food service operations is to ensure affordable and healthy food for its staff and visitors and not to maximize the revenue; and

WHEREAS, Everytable offers inexpensive but healthy food using a retail food service model in which food is prepared remotely and delivered daily to its outlets thus requiring less space in which to operate thereby keeping its costs and prices low; and

WHEREAS, Harlem joined with other System facilities in searching for food vendors, participated in taste tastings, entertained competing proposals and chose Everytable as offering the best food and best value; and

WHEREAS, responsibility for the operation of the proposed food service operation and administering the proposed agreement will be with the Executive Director of Harlem.

NOW, THEREFORE, be it

RESOLVED, that the New York City Health and Hospitals Corporation (the “System”) be and hereby is authorized to sign a five-year license agreement with Everytable, PBC (“Everytable”) for its use and occupancy of approximately 360 square feet at NYC Health + Hospitals/Harlem (“Harlem”) for a retail food operation at an initial rate of $50/square foot or $23,400 per year to increase by 2% per year for a total occupancy fee over the term of $121,775 with such agreement to be terminable by each party on thirty days’ notice without cause.
EXECUTIVE SUMMARY

EVERYTABLE PBC
LICENSE AGREEMENT FOR FOOD SERVICE OPERATIONS AT
NYC HEALTH + HOSPITALS/HARLEM

OVERVIEW: Harlem currently has no retail food service operation of any kind to meet the needs of staff and visitors because there is currently no 24/7 operation within the facility. Harlem joined with other System facilities in performing informal searches for appropriate vendors over many months. They received presentations and taste testings, considered the very low prices of the Everytable menus and healthy quality of the food and all determined that Everytable was the best choice for their facility.

VENDOR: Everytable is a Delaware Public Benefit Corporation with operations in
BACKGROUND: Los Angeles, California and New York City. The company grew out of a non-
nonprofit organization focused on addressing food related health problems in South LA. Everytable’s mission is to transform the food system to make fresh, nutritious food accessible to everyone, everywhere. The food is prepared in a central kitchen in Brooklyn from which there are daily delivery of fresh food. EveryTable is currently operating at Jacobi and will soon be launching at Metropolitan and South Brooklyn. Together with this resolution, approval is also sought for EveryTable to operate at KCHC and Queens.

TERMS: The proposed agreement will be for five years and will be terminable by each party without cause on thirty days’ notice. The three agreements will have similar menus and the same restriction on increases in prices, except as necessary to keep up with increases in the CPI. Though the menus will be similar, there will be variations to account for local cultural difference and preferences.

Everytable will be licensed approximately 468 square feet at Harlem at an initial rate of $50/square foot or $23,400 per year to increase by 2% per year for a total occupancy fee over the term of $121,775.
September 29, 2023

Ms. Leora Jontef  
Assistant Vice President, Housing + Real Estate  
NYC Health + Hospitals  
50 Water Street  
New York, NY 10004

Re:  Fair Market Value/Appraisal of space within Harlem Hospital Center  
Regarding Food Service Operator, Everytable  
On behalf of NYC Health + Hospitals Corporation

Dear Ms. Jontef:

Pursuant to your request, you have asked for a Fair Market Value/Appraisal report for the referenced property and location in order to assess its fair market value (FMV) at current rates. This assessment is inclusive of the value of tenant improvements and specified operating expenses such as utilities, housekeeping, security, service contracts, structural repairs, etc. As the licensor is designated as a not for profit, 501(c)(3) exempt corporation, real estate taxes are not applicable, however this should also be considered when evaluating the value of the space in order to provide a comprehensive FMV. This appraisal will assess the estimated value to establish a current base rent inclusive of the tenant improvements and operating expenses for use as a food service establishment. This evaluation is subject to the following:

- The contemplated unit for use as food service is currently occupied for food service prep, sales and consumption, and is appropriately zoned and legal for the current use of the space.
- The proposed licensee will occupy 468 SF on the first floor of the Martin Luther King building tower lobby, within the referenced hospital center.
- This evaluation is for the purpose of establishing the current FMV to license the referenced properties and considers numerous factors including but not limited to location, market conditions, market area comparables, lease terms and conditions, as well as tenant improvements.

The referenced food service space is located within the medical complex of Harlem Hospital located at 506 Lenox Ave, Harlem, NY 10037 in the Harlem/North Manhattan submarket.

It is our experience that space within built medical facilities is valued at a premium, simply because it is a finite resource which is in demand. However, when assessing the value, that the client base is limited to foot traffic within the hospital, which may negatively impact the success of the licensee. The licensee will not promote its presence and the average pedestrian walking by the building would not be aware of this food service operation.
CONCLUSION

For the purpose of this appraisal, we assume that all operating expenses, i.e. security, refuse removal, utilities, structural repairs and structural maintenance, service contracts, etc. are provided by the licensor/hospital.

This analysis finds that the FMV for this space is essentially a hybrid, due to the location of the spaces, use, captive audience, and lack of ability or need to promote as a true retail food service operation. It does provide the licensee with an immediate customer base. It is our professional opinion, therefore, that the value of the referenced ground floor space is approximately $50-$54 per RSF.

It would be appropriate for the licensee to negotiate an escalation provision to the base rent/fee of 2.5% commencing in the second year of the license agreement. This increase would be annually and compounded. These terms would be commercially fair and reasonable based on the data and information assessed in this report.

In the event that I can be of any further assistance to you, please do not hesitate to call.

Thank You.

Very Truly Yours,

Michael E. Dubin
Executive Managing Director
Helmsley Spear
## Comps for Harlem/North Manhattan, NY Submarket

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<th>Cross Streets</th>
<th>Square Feet</th>
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</table>
LICENSE AGREEMENTS

EVERYTABLE, PBC

FOOD OPERATIONS

NYC HEALTH + HOSPITALS / KINGS
RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the “System”) to sign a five-year license agreement with Everytable, PBC (“Everytable”) for its use and occupancy of approximately 360 square feet at NYC Health + Hospitals/Kings (“KCHC”) for a retail food operation at an initial rate of $45/square foot or $16,200 per year to increase by 2% per year for a total occupancy fee over the term of $84,305 with such agreement to be terminable by each party on thirty days’ notice without cause.

WHEREAS, KCHC has no 24/7 retail food service to meet the needs of staff and visitors; and

WHEREAS, the System’s primary goal in establishing retail food service operations is to ensure affordable and healthy food for its staff and visitors and not to maximize the revenue; and

WHEREAS, Everytable offers inexpensive but healthy food using a retail food service model in which food is prepared remotely and delivered daily to its outlets thus requiring less space in which to operate thereby keeping its costs and prices low; and

WHEREAS, KCHC joined with other System facilities in searching for food vendors, participated in taste tastings, entertained competing proposals and chose Everytable as offering the best food and best value; and

WHEREAS, responsibility for the operation of the proposed food service operation and administering the proposed agreement will be with the Executive Director of KCHC.

NOW, THEREFORE, be it

RESOLVED, that the New York City Health and Hospitals Corporation (the “System”) be and hereby is authorized to sign a five-year license agreement with Everytable, PBC (“Everytable”) for its use and occupancy of approximately 360 square feet at NYC Health + Hospitals/Kings (“KCHC”) for a retail food operation at an initial rate of $45/square foot or $16,200 per year to increase by 2% per year for a total occupancy fee over the term of $84,305 with such agreement to be terminable by each party on thirty days’ notice without cause.
EXECUTIVE SUMMARY
EVERYTABLE PBC
LICENSE AGREEMENT FOR FOOD SERVICE OPERATIONS AT
NYC HEALTH + HOSPITALS/KINGS

OVERVIEW:
KCHC needs additional retail food services to meet the needs of staff and visitors because there is currently no 24/7 operation within the facility. KCHC joined with other System facilities in performing informal searches for appropriate vendors over many months. They received presentations and taste testings, considered the very low prices of the Everytable menus and healthy quality of the food and all determined that Everytable was the best choice for their facility.

VENDOR:
EveryTable is a Delaware Public Benefit Corporation with operations in Los Angeles, California and New York City. The company grew out of a non-profit organization focused on addressing food related health problems in South LA. Everytable’s mission is to transform the food system to make fresh, nutritious food accessible to everyone, everywhere. The food is prepared in a central kitchen in Brooklyn from which there are daily delivery of fresh food. EveryTable is currently operating at Jacobi and will soon be launching at Metropolitan and South Brooklyn. Together with this resolution, approval is also sought for EveryTable to operate at Harlem and Queens.

BACKGROUND:
The proposed agreement will be for five years and will be terminable by each party without cause on thirty days’ notice. The three agreements will have similar menus and the same restriction on increases in prices, except as necessary to keep up with increases in the CPI. Though the menus will be similar, there will be variations to account for local cultural difference and preferences.

Everytable will be licensed approximately 360 square feet at KCHC at an initial rate of $45/square foot or $16,200 per year to increase by 2% per year for a total occupancy fee over the term of $84,305.
October 27, 2023

Ms. Leora Jontef  
Assistant Vice President, Housing + Real Estate  
NYC Health + Hospitals  
50 Water Street  
New York, NY 10004

Re: Fair Market Value/Appraisal of space within Kings County Hospital Center  
Regarding Food Service Operator  
On behalf of NYC Health + Hospitals Corporation

Dear Ms. Jontef:

Pursuant to your request, you have asked for a Fair Market Value/Appraisal report for the referenced property and location in order to assess its fair market value (FMV) at current rates. This assessment is inclusive of the value of tenant improvements and specified operating expenses such as utilities, housekeeping, security, service contracts, structural repairs, etc. As the licensor is designated as a not for profit, 501(c)(3) exempt corporation, real estate taxes are not applicable, however this should also be considered when evaluating the value of the space in order to provide a comprehensive FMV. This appraisal will assess the estimated value to establish a current base rent inclusive of the tenant improvements and operating expenses for use as a food service establishment. This evaluation is subject to the following:

- The contemplated unit is for use as food service, for food service prep, sales and consumption, and is appropriately zoned and legal for the current use of the space.
- The proposed licensee will occupy approximately a small portion of the first floor of the Main Hospital, within the referenced hospital center.
- This evaluation is for the purpose of establishing the current FMV to license the referenced properties and considers numerous factors including but not limited to location, market conditions, market area comparables, lease terms and conditions, as well as tenant improvements.

The referenced food service space is located within the medical complex of Kings County Hospital located at 451 Clarkson Ave, Brooklyn, NY 11203 in the North Brooklyn market area.

It is our experience that space within built medical facilities is valued at a premium, simply because it is a finite resource which is in demand. However, when assessing the value, that the client base is limited to foot traffic within the hospital, which may negatively impact the success of the licensee. The licensee will not promote its presence and the average pedestrian walking by the building would not be aware of this food service operation.
CONCLUSION

For the purpose of this appraisal, we assume that all operating expenses, i.e., security, refuse removal, utilities, structural repairs and structural maintenance, service contracts, etc. are provided by the licensor/hospital.

This analysis finds that the FMV for this space is essentially a hybrid, due to the location of the spaces, use, captive audience, and lack of ability or need to promote as a true retail food service operation. It does provide the licensee with an immediate customer base. It is our professional opinion, therefore, that the value of the referenced ground floor space is approximately $45 per RSF. It should be noted that available spaces in the area skew the net effective rents, as most of those are retail with significantly higher rents.

It would be appropriate for the licensee to negotiate an escalation provision to the base rent/fee of 2.5% commencing in the second year of the license agreement. This increase would be annually and compounded. These terms would be commercially fair and reasonable based on the data and information assessed in this report.

In the event that I can be of any further assistance to you, please do not hesitate to call.

Thank You.

Very Truly Yours,

Michael E. Dubin
Executive Managing Director
Helmsley Spear
## Comps for North Brooklyn, NY Submarket

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<th>Address</th>
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Everytable
License Agreements
NYC Health + Hospitals/

Queens Hospital
Harlem Hospital
Kings County Hospital

Capital Committee
November 20, 2023

Leora Jontef, Assistant Vice President
Jeremy Berman, Deputy Counsel
Mercedes Redwood, Assistant Vice President
Authorizing the New York City Health and Hospitals Corporation (the “System”) to sign five-year license agreements with Everytable, PBC (“Everytable”) for its use and occupancy of space in each of the three facilities (the “Facilities”) for retail food operations with each agreement to be terminable by both parties on thirty days without cause as follows:

Approximately 500 square feet at NYC Health + Hospitals/Queens (“Queens Hospital”) at an initial rate of $50/square foot or $25,000 year to increase by 2% per year for a total occupancy fee over the term of $130,101.

Approximately 468 square feet at NYC Health + Hospitals/Harlem (“Harlem Hospital”) at an initial rate of $50/square foot or $23,400 year to increase by 2% per year for a total occupancy fee over the term of $121,775.

Approximately 360 square feet at NYC Health + Hospitals/Kings (“Kings County Hospital”) at an initial rate of $45/square foot or $16,200 year to increase by 2% per year for a total occupancy fee over the term of $84,305.
Convenient onsite food options are important to staff and patient satisfaction.
- Many facilities are not near retail corridors
- Work schedules require safe and easy access to food 24/7
- Healthy food options are core to H+H values
- Cost conscious pricing allows access to all hospital visitors

- Queens and Kings Hospitals current food service vendors are not 24/7 and are not providing sufficient service to our visitors and staff, with limited menus and limited hours of service.

- Harlem has no current food service vendor.

- Covid caused several food service vendors to close within the system, leaving many hospitals without food services or with old operations in need of updating.
Each facility independently selects the vendors that suit their patient and staff needs taking into consideration:

- evaluating menus for healthy options
- ability to provide culturally sensitive foods, as well as ethnic and culturally appropriate food options to serve the specific community needs of each hospital
- pricing and tastings
- cultural sensitivities
- 24/7 operations

The hospitals diligently searched for the best candidate to provide food services, including presentations and sampling food offerings.

After considering other vendors, the facilities chose Everytable due to their ability to have 24/7 operations and offer low prices, as well as an extremely diverse menu that met the dietary needs of our staff.

Under the System’s rules, real estate space license agreements, such as the proposed agreements, do not require an RFP.
Food Vendors at Facilities

- Panera – Bellevue
- Au Bon Pain- Elmhurst
- Everytable – Jacobi, Metropolitan, South Brooklyn (11/27)
  - Good performance thus far
- Andy’s – South Brooklyn, Kings
- Tasty Picks – NCB, Metropolitan (opening TBD)
- Towers- Lincoln, Woodhull
Everytable, PBC, is a Delaware Public Benefit Corporation with operations in Los Angeles and New York City.

- Grew out of a non-nonprofit organization focused on addressing food related health problems in South LA.
- Everytable’s mission is to transform the food system to make fresh, nutritious food accessible to everyone, everywhere.
- Currently has 8 stores in NYC.
- Operates a central prep kitchen in Brooklyn with guaranteed daily delivery of fresh food.

Food Vendor: Everytable
Operations at the facility will be 24/7; 365 days

Queens, Harlem and Kings County Hospitals will offer the following menu of fresh food

- Hot breakfast and bakery items $1.50-$5.95
- Fresh salads with homemade dressings $6.95-$8.45
- Hot plates, sandwiches and wraps; Soups, stews, sides $5.00 - $8.95
- Full complement of snacks, desserts, fountain drinks, bottles, cans, hot and iced coffee and tea. $1.89 - $3.75
- Culturally sensitive foods, such as Kosher and Halal options, will be offered

Price range is $1.50 - $8.45.
Queens Hospital: 2,500 staff, patients and visitors daily.
Currently has one food vendor with limited service and menu.
Location: approximately 500 square feet on 1st Floor Main Hospital near lobby.
Everytable will fund and modify space for their proposed layout.
Rent: $50/SF
  - Term: 5 years
  - Year 1 rent: $16,200 with 2% escalation each year
  - Total rent over 5 years $93,673
Agreement commences when executed and may be terminated upon thirty days’ notice. Rent payments begin the earlier of when serving patrons or a period to be negotiated between 60-90 days.
All price increases above CPI increases must be approved by facility.

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Harlem

- Harlem: 3,300 staff daily.
- Has not had a food vendor since Feb 2020.
- Location: 468 square feet space on the 1st Floor MLK Building Tower Lobby (Gift Shop).
- Everytable will fund and modify space for their proposed layout.
- Rent: $50/SF
  - Term: 5 years
  - Year 1 rent: $23,400 2% escalation
  - Total rent over 5 years $121,775
- Agreement commences when executed and may be terminated upon thirty days’ notice. Rent payments begin the earlier of when serving patrons or a period to be negotiated between 60-90 days.
- All price increases, other than to keep up with CPI increases, must be approved by the facility.

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Kings County

- Kings County Hospital: 6,000 staff, patients and visitors daily
- Currently has one food vendor, but service and menu is limited.
- Location: approximately 360 square feet on 1st Floor Building D near lobby
- Everytable will fund and modify space for their proposed layout.
- Rent: $45/SF
  - Term: 5 years
  - Year 1 rent: $16,200 with 2% escalation each year
  - Total rent over 5 years $84,305
- Agreement commences when executed and may be terminated upon thirty days’ notice. Rent payments begin the earlier of when serving patrons or a period to be negotiated between 60-90 days.
- All price increases above CPI increases must be approved by facility.

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<th>Year</th>
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<td>$17,353</td>
</tr>
<tr>
<td>Total</td>
<td>$84,305</td>
</tr>
</tbody>
</table>
Kings County Hospital: 6,000 staff, patients and visitors daily
- Currently has one food vendor, but service and menu is limited.
- Location: approximately 360 square feet on 1st Floor Building D near lobby
- Everytable will fund and modify space for their proposed layout.
- Rent: $45/SF
  - Term: 5 years
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Authorizing the New York City Health and Hospitals Corporation (the “System”) to sign five-year license agreements with Everytable, PBC (“Everytable”) for its use and occupancy of space in each of the three facilities (the “Facilities”) for retail food operations with each agreement to be terminable by both parties on thirty days without cause as follows:

Approximately 500 square feet at NYC Health + Hospitals/Queens (“Queens Hospital”) at an initial rate of $50/square foot or $25,000 year to increase by 2% per year for a total occupancy fee over the term of $130,101.

Approximately 468 square feet at NYC Health + Hospitals/Harlem (“Harlem Hospital”) at an initial rate of $50/square foot or $23,400 year to increase by 2% per year for a total occupancy fee over the term of $121,775.

Approximately 360 square feet at NYC Health + Hospitals/Kings (“Kings County Hospital”) at an initial rate of $45/square foot or $16,200 year to increase by 2% per year for a total occupancy fee over the term of $84,305.
CONTRACT INCREASE

ARRAY ARCHITECTS, INC.

A/E SERVICES

NYC HEALTH + HOSPITALS / BELLEVUE
NYC HEALTH + HOSPITALS / WOODHULL
RESOLUTION

Authorizing New York City Health and Hospitals Corporation (the “System”) to further increase the funding by $3,477,599 for its previously executed agreement with Array Architects, Inc. ("Array") for architectural/engineering services for the renovation of space at NYC Health + Hospitals/Bellevue Hospital (“Bellevue”) and NYC Health + Hospitals/Woodhull Hospital (“Woodhull”) in connection with the System’s Correctional Health Services (“CHS”) initiative to treat its patients who require higher levels of care in its Outposted Therapeutic Housing Units (“OTxHU”), which follows previous funding increases of $1,814,880 authorized in November 2021 and $6,409,289 in November 2022, and $1,960,238 in May 2023, such that the funding is increased from $18,847,407 to $22,325,006.

WHEREAS, in June 2020 the System’s Board of Directors authorized a five-year agreement with Array to provide architectural/engineering services for the renovation of space at Bellevue and Woodhull to serve as sites for the OTxHU initiative; and

WHEREAS, since the approval of the subject agreement, the scope and cost of the OTxHU initiative has increased to meet security operations, programmatic, and regulatory requirements, the requirement that the progress of the program be substantially accelerated, and inclusion of contingencies, at Bellevue and Woodhull; and

WHEREAS, the budget was increased to provide for further security operations, programmatic, and regulatory changes to the OTxHU initiative that resulted in conceptual design revisions, and such revisions required an increase in Array’s budget for the project by $1,960,238 to account for their increase level of effort; and

WHEREAS, since the budget was increased in May 2023, additional design revisions have been identified related to security needs and inclusion of a new emergency power generator which require an increased level of effort on the part of Array; and

WHEREAS, the increased level of effort requires an increase in Array’s budget for the project by $3,477,599.

NOW THEREFORE BE IT:

RESOLVED, the New York City Health and Hospitals Corporation be and hereby is authorized to increase the funding by $3,477,599 for its previously executed agreement with Array Architects, Inc. ("Array") for architectural/engineering services for the renovation of space at NYC Health + Hospitals/Bellevue Hospital (“Bellevue”) and NYC Health + Hospitals/Woodhull Hospital (“Woodhull”) over a five year term in connection with the System’s Correctional Health Services (“CHS”) initiative to treat its patients who require higher levels of care in its Outposted Therapeutic Housing Units (“OTxHU”) which follows previous funding increases totaling $10,183,407 such that the funding is increased from $18,847,407 to $22,325,006.
EXECUTIVE SUMMARY
ARCHITECTURAL AND ENGINEERING SERVICES FOR THE OTxHU PROGRAM
ARRAY ARCHITECTS, INC.

OVERVIEW: The System’s CHS OTxHU initiative is to treat more clinically complex patients within secured units located at Bellevue and Woodhull hospitals. Considerable work will have to be done to complete these spaces. The System executed a contract with Array to design the OTxHU spaces and assist with the procurement of construction contractors and with construction administration. The contract with Array was approved by the Board of Directors in June 2020 with an NTE of $8,663,000. In November 2021 the System returned to the Board of Directors to request $1,814,880 in increased funding bringing the contract NTE to $10,477,880. This request was triggered by the need to accelerate the project and to respond to requested design changes at Bellevue. In November 2022, the System returned to the Board of Directors to request $6,409,289 in increased funding bringing the contract NTE to $16,887,169. This request was triggered by required design changes at Bellevue. In May 2023, the System returned to the Board of Directors to request $1,960,238 in increased funding bringing the contract NTE to $18,847,407. This request was triggered by conceptual design revisions.

NEED: Modifications to the OTxHU initiative have been identified in relation to security needs and installation of a new emergency power generator which need to be incorporated into the design at Bellevue.

PROPOSAL: The design changes at Bellevue will cost an additional $3,477,599. When that amount is added to the prior NTE of $18,847,407, the new requested NTE becomes $22,325,006.

FUNDING: The proposed contract will be financed with City Capital Funds.

TERM: The term of the agreement remains unchanged at three years with two one-year options to renew solely exercisable by the System.

MWBE: Array previously submitted a plan for 32% MWBE utilization. 31% of Array’s invoices to date are to MWBEs. Array has provided a 31% utilization plan for the increased funding. Array’s effective MWBE % with new contract value is 37%.
To: Colicia Hercules  
   Chief of Staff, Office of the Chair  

From: Franco Esposito  
   Senior Counsel  
   Office of Legal Affairs  

Re: Vendor Responsibility, EEO and MWBE status for Board review of contract  

Vendor: Array Architects PC  
Date: November 1, 2023  

The below information indicates the vendor’s status as to responsibility, EEO and MWBE as provided by the Office of Facilities Development and Supply Chain:

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<thead>
<tr>
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<th>MWBE</th>
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<tbody>
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CONTRACT INCREASE

AECOM USA, INC.

MANAGEMENT SERVICES

NYC HEALTH + HOSPITALS / BELLEVUE
NYC HEALTH + HOSPITALS / WOODHULL
RESOLUTION

Authorizing New York City Health and Hospitals Corporation (the “System”) to further increase the funding by $2,400,000 for its previously executed agreement with AECOM USA, Inc. (“AECOM”), to provide program management services at NYC Health + Hospitals/Bellevue Hospital (“Bellevue”) and NYC Health + Hospitals/ Woodhull Hospital (“Woodhull”) in connection with the System’s Correctional Health Services (“CHS”) initiative to treat its patients who require higher levels of care in its Outposted Therapeutic Housing Units (“OTxHU”), which follows previous funding increases of $1,498,738 authorized in May 2023 such that the funding is increased from $16,635,305 to $19,035,305.

WHEREAS, in June 2020 the System’s Board of Directors authorized a five-year agreement with AECOM to provide program management services at Bellevue and Woodhull to serve as sites for the OTxHU initiative with funding of $9,039,198 authorized; and

WHEREAS, in November 2020 the Board authorized an increase in the contract amount by $6,097,369 to a new projected total of $15,136,567 to meet programmatic and regulatory requirements and to facilitate the acceleration of the Bellevue site; and

WHEREAS, since the last increase in budget, further security operations, programmatic, and regulatory changes to the OTxHU project have been identified which has resulted in conceptual design revisions to the 2nd floor recreation area, visitation areas, staff support and administrative areas, patient spaces and field conditions which resulted in an increase to AECOM’s budget for the project by $1,498,738; and

WHEREAS, additional security design changes related to security needs and installation of an emergency power generator require an increased level of effort on the part of AECOM; and

WHEREAS, the increased level of effort requires an increase in AECOM’s budget for the project by $2,400,000.

NOW THEREFORE BE IT:

RESOLVED, the New York City Health and Hospitals Corporation (the “System”) be and hereby is authorized to increase the funding for its agreement with AECOM USA, Inc. (“AECOM”) to provide program management services at NYC Health + Hospitals/Bellevue Hospital (“Bellevue”) and NYC Health + Hospitals/ Woodhull Hospital (“Woodhull”) in connection with the System’s Correctional Health Services (“CHS”) initiative to treat its patients who require higher levels of care in its Outposted Therapeutic Housing Units (“OTxHU”) in Bellevue and Woodhull such that the funding is increased from $16,635,305 to $19,035,305.
EXECUTIVE SUMMARY
PROGRAM MANAGEMENT
FOR THE OTxHU PROGRAM
AECOM USA, INC.

OVERVIEW: In June 2020 the System’s Board of Directors authorized a five-year agreement with AECOM to provide program management services at Bellevue and Woodhull to serve as sites for the OTxHU initiative with funding of $9,039,198 authorized. Following the approval of the AECOM contract in June 2020, the scope revisions for the OTxHU program at Bellevue resulted in an additional need for AECOM’s services. Accordingly, in November 2020 the Board authorized an increase in the contract amount by $6,097,369 to a new projected total of $15,136,567 with the increase being all focused on the Bellevue part of the project. Additional design changes to the 2nd floor recreation area, visitation areas, staff support and administrative areas, patient spaces field conditions resulted in an increase in the contract amount to $16,635,305.

New changes to the design of the project in relation to security needs and the installation of a new emergency power generator require an increase in the contract amount by $2,400,000 from $16,635,305 to $19,035,305.

NEED: Modifications to the OTxHU initiative have been identified which have resulted in conceptual design revisions which need to be incorporated into the design at Bellevue.

PROPOSAL: The changes at Bellevue will cost an additional $2,400,000 for Program Management services. When that amount is added to the prior NTE of $16,635,305, the new requested NTE becomes $19,035,305.

FUNDING: The proposed contract will be financed with City Capital Funds.

TERM: The term of the agreement remains unchanged at three years with two one-year options to renew solely exercisable by the System.

MWBE: AECOM original MWBE utilization plan was 30%. 35% of AECOM’s invoices to date are to MWBEs. AECOM has provided a 35% utilization plan for the increased funding. AECOM’s effective MWBE % with new contract value is 35%.
To: Colicia Hercules  
Chief of Staff, Office of the Chair

From: Franco Esposito  
Senior Counsel  
Office of Legal Affairs

Re: Vendor Responsibility, EEO and MWBE status for Board review of contract

Vendor: AECOM USA, Inc.

Date: November 1, 2023

The below information indicates the vendor’s status as to responsibility, EEO and MWBE as provided by the Office of Facilities Development and Supply Chain:

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CONTRACT INCREASE

CONSIGLI CONSTRUCTION CO., INC.

CONSTRUCTION MANAGEMENT/-builder

NYC HEALTH + HOSPITALS / BELLEVUE
RESOLUTION

Authorizing New York City Health and Hospitals Corporation (the “System”) to further increase the funding by $43,022,528 and until April 2025 for its previously executed contract with Consigli Construction Co., Inc. ("Consigli") to serve as construction manager/builder under a guaranteed maximum price ("GMP") structure for the construction and construction management of the System’s Correctional Health Services ("CHS") initiative to treat its patients who require higher levels of care in its Outposted Therapeutic Housing Unit ("OTxHU") at NYC Health + Hospitals/Bellevue ("Bellevue"), which follows previous funding increases of $19,421,612 authorized in May 2022, and $19,638,719 authorized in May 2023, such that the current funding is increased from $159,969,414 to $202,991,942 to cover construction and construction management at Bellevue only and to extend the contract completion date to April 30, 2025.

WHEREAS, in November, 2021, the System’s Board of Directors approved a contract with Consigli as a GMP, which is an industry standard contracting/procurement approach by which a construction manager commits to a price and divides with the owner any amount by which the final cost is less than the contract price thereby incentivizing the construction manager to control costs and find economies; and

WHEREAS, the design of the OTxHU is subject to state regulatory review and approval; and

WHEREAS, in January, 2022, design and construction modifications for the Bellevue OTxHU recreation area were needed, for patient and staff flow, and for the program floorplan; and

WHEREAS, in collaboration with Array and AECOM, the plans for the project were revised to meet regulatory requirements; and

WHEREAS, on March 29, 2022 regulatory approval for the project was received, which integrated the required changes and after factoring in such changes, the System and Consigli arrived at a new Guaranteed Maximum Price of $140,339,695 with an extended Substantial Completion date of March 31, 2023; and

WHEREAS, additional design changes to the 2nd floor recreation area, visitation areas, staff and support administrative areas, patient spaces and field conditions resulted in the project budget being increased by $19,629,719 and extend the contract completion date to December 31, 2023; and

WHEREAS, additional costs related to security needs have been identified along with time related delays and inclusion of emergency power generator which results in the project budget being increased by $43,022,528 and extending the contract completion date to April 30, 2025.

NOW THEREFOR IT IS RESOLVED that New York City Health and Hospitals Corporation (the “System”) is authorized to increase the funding of its contract with Consigli Construction Co., Inc. (the “CONSIGLI”) to serve as construction manager/builder under a guaranteed maximum price ("GMP") structure for the construction and construction management of the System’s Correctional Health Services ("CHS") Outposted Therapeutic Housing Unit ("OTxHU") initiative at NYC Health + Hospitals/Bellevue ("Bellevue") from the $159,969,414 approved by the Board in May, 2023 to $202,991,942 and to extend the contract completion date to April 30, 2025.
EXECUTIVE SUMMARY
CONSTRUCTION MANAGEMENT AGREEMENT WITH
CONSIGLI CONSTRUCTION CO., INC.
OTXHU AT BELLEVUE HOSPITAL

BACKGROUND: In November, 2021, the System’s Board of Directors approved a contract with Consigli as a GMP, which is an industry standard contracting/procurement approach by which a construction manager commits to a price and divides with the owner any amount by which the final cost is less than the contract price thereby incentivizing the construction manager to control costs and find economies. The not-to-exceed price approved by the Board was $120,918,083 (based on a contract price of $109,925,530 and a 10% project contingency).

In May, 2022, Consigli’s contract was increased to $140,339,695 as a result of required changes. Subsequent to this increase, additional design changes to the 2nd floor recreation area, visitation areas, staff and support administrative areas, patient spaces and field conditions have been made to the project which necessitated an additional increase in the Consigli’s budget of $19,629,719, which brought the total contract value to $159,969,414 and which extended the date of completion of the project to December 31, 2023. Now, additional costs related to newly identified security needs along with time related delays and inclusion of an emergency power generator, which brings the total contract value to $202,991,942 and extends the contract completion date to April 30, 2025.

FUNDING: The proposed contract will be financed with City Capital Funds.

TERMS: The amended contract cost approved by the Board in May, 2023 was $159,969,414. The new design changes result in a cost increase to $202,991,942 and extend the date of completion to April 30, 2025.

MWBE: Consigli originally committed to a 31% M/WBE Utilization Plan. 40% of Consigli’s invoices to date are to M/WBEs. Consigli has provided a 31% utilization plan for the increased funding. Consigli’s effective M/WBE % with new contract value is 31%.
To: Colicia Hercules  
    Chief of Staff, Office of the Chair

From: Franco Esposito  
      Senior Counsel  
      Office of Legal Affairs

Re: Vendor Responsibility, EEO and MWBE status for Board review of contract

Vendor: Consigli Construction Co., Inc.

Date: November 1, 2023

The below information indicates the vendor's status as to responsibility, EEO and MWBE as provided by the Office of Facilities Development and Supply Chain:

<table>
<thead>
<tr>
<th>Vendor Responsibility</th>
<th>EEO</th>
<th>MWBE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pending</td>
<td>Approved</td>
<td>30%</td>
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</tbody>
</table>
Request for Contract Amendments at Bellevue Outposted Therapeutic Housing Unit (OTxHU)

Design Services, Program Management Services, CM Build Guaranteed Maximum Price

Capital Committee
November 20, 2023

Manny Saez, PhD., Vice President of Facilities Development
Oscar Gonzalez, CCM, Senior Assistant Vice President, Facilities Development
Cary Cheung, Senior Assistant Vice President, Correctional Health Services
Luis Mendes, Senior Director, Facilities Development
Authorizing New York City Health and Hospitals Corporation (the “System”) to further increase the funding by $3,477,599 for its previously executed agreement with Array Architects, Inc. (“Array”) for architectural/engineering services for the renovation of space at NYC Health + Hospitals/Bellevue Hospital (“Bellevue”) and NYC Health + Hospitals/Woodhull Hospital (“Woodhull”) in connection with the System’s Correctional Health Services (“CHS”) initiative to treat its patients who require higher levels of care in its Outposted Therapeutic Housing Units (“OTxHU”), which follows previous funding increases of $1,814,880 authorized in November 2021 and $6,409,289 in November 2022, and $1,960,238 in May 2023, such that the funding is increased from $18,847,407 to $22,325,006.

Authorizing New York City Health and Hospitals Corporation (the “System”) to further increase the funding by $2,400,000 for its previously executed agreement with AECOM USA, Inc. (“AECOM”), to provide program management services at NYC Health + Hospitals/Bellevue Hospital (“Bellevue”) and NYC Health + Hospitals/ Woodhull Hospital (“Woodhull”) in connection with the System’s Correctional Health Services (“CHS”) initiative to treat its patients who require higher levels of care in its Outposted Therapeutic Housing Units (“OTxHU”), which follows previous funding increases of $1,498,738 authorized in May 2023 such that the funding is increased from $16,635,305 to $19,035,305.

Authorizing New York City Health and Hospitals Corporation (the “System”) to further increase the funding by $43,022,528 and until April 2025 for its previously executed contract with Consigli Construction Co., Inc. (“Consigli”) to serve as construction manager/builder under a guaranteed maximum price (“GMP”) structure for the construction and construction management of the System’s Correctional Health Services (“CHS”) initiative to treat its patients who require higher levels of care in its Outposted Therapeutic Housing Unit (“OTxHU”) at NYC Health + Hospitals/Bellevue (“Bellevue”), which follows previous funding increases of $19,421,612 authorized in May 2022, and $19,638,719 authorized in May 2023, such that the current funding is increased from $159,969,414 to $202,991,942 to cover construction and construction management at Bellevue only.
Background

- The Outposted Therapeutic Housing Units (OTxHU) project was announced November 2019.

- The Board previously approved contract amounts four times, all within the allocated capital budget for the Bellevue project:

<table>
<thead>
<tr>
<th>Board Date</th>
<th>Vendors</th>
<th>Description</th>
<th>Increase to NTE</th>
<th>NTE</th>
<th>Time Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 2020</td>
<td>Array and AECOM</td>
<td>Design and Program Management at Bellevue and Woodhull</td>
<td></td>
<td>Array - $8,663,000</td>
<td>Array – 5 years</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>AECOM - $9,093,198</td>
<td>AECOM – 5 years</td>
</tr>
<tr>
<td>November 2021</td>
<td>Array, AECOM,</td>
<td>Increased funding for schedule acceleration for designer and Program Manager</td>
<td>Array -$1,814,880</td>
<td>Array - $10,477,880</td>
<td>Consigli – through March 31, 2023</td>
</tr>
<tr>
<td></td>
<td>Consigli</td>
<td>established CM Builder contract</td>
<td>AECOM - $6,097,369</td>
<td>AECOM - $15,136,567</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Consigli - $120,918,083</td>
<td></td>
</tr>
<tr>
<td>May 2022</td>
<td>Consigli</td>
<td>Increased funding for recreation area, sallyport, and exterior elevator at</td>
<td>Consigli - $19,421,612</td>
<td>Consigli - $140,339,695</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bellevue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>December 2022</td>
<td>Array</td>
<td>SCOC approval of design changes required design adaption at Bellevue and</td>
<td>Array - $6,409,289</td>
<td>Array - $16,887,169</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Woodhull</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>May 2023</td>
<td>Array, AECOM,</td>
<td>Increase funding for additional security revisions at Bellevue</td>
<td>Array – $1,960,238</td>
<td>Array – $16,635,305</td>
<td>Consigli – through December 31, 2023</td>
</tr>
<tr>
<td></td>
<td>Consigli</td>
<td></td>
<td>AECOM - $1,498,738</td>
<td>Consigli - $159,969,414</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Consigli - $19,629,719</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
OTxHU Team

NYC H+H
OFD/CHS

Program Manager
(AECOM)

Array

E4H (Designer)
Hunter Roberts (CM)
JEMCO (GC)

Consigli

OTxHU Designer
Woodhull Decanting
Bellevue CM
Proposed Amendments for Bellevue

**Justification:**

- New requirements for security operations resulted in a pause in work and the need to modify existing design and construction scope for:
  - Emergency power coverage during a power outage to include door controls, lighting, security cameras, and the fire safety system
  - Patient spaces, including the intake areas
  - Visitation areas
  - General conditions
- Increase funding to keep administrative and support staff through project completion.
- Funding for these new requirements have been provided by OMB in the September Capital Plan.
- There is conditional approval granted by the NY State regulatory agency (SCOC) for revised design

**Potential Amendments for Further Board Approval:**

- There could be potential further changes after future review that would require additional board approval
Proposed Amendments for Bellevue

- Additional costs totaling $49m related to security needs have since been identified for Bellevue and were added to the project cost by OMB
  - Newly identified security considerations – design and construction $13.5m
  - Delays/general conditions $9.5m
  - Emergency power generator $26m
Proposed Amendments for Bellevue

Proposal:
- **Array** – Increase funding by $3,477,599
  - Certificate to Proceed (CP) for $3,477,599 have been submitted to OMB.
- **AECOM** – Increase funding by $2,400,000
  - Certificate to Proceed (CP) for $2,400,000 have been submitted to OMB.
- **Consigli** – Increase funding by $43,022,528 and extend **contract expiration** to April 2025
  - Certificate to Proceed (CP) for $43,022,528 have been submitted to OMB.
  - Bellevue Outposted Therapeutic Housing Unit - targeted construction completion of November 2024, barring significant unforeseen field conditions and further design changes.
  - Emergency power generator - targeted construction completion of February 2025, barring significant unforeseen field conditions, but may extend to April 2025 given possible global supply chain issues.
## MWBE Utilization Plan

### Array’s Utilization Plan

<table>
<thead>
<tr>
<th>Subcontracted Scopes of Work</th>
<th>Utilization Plan %</th>
</tr>
</thead>
<tbody>
<tr>
<td>MEP, Structural, Hazmat, Cost estimating</td>
<td>37%</td>
</tr>
</tbody>
</table>

- Array has achieved 31% to date
- Vendor performance is good to date

### AECOM Utilization Plan

<table>
<thead>
<tr>
<th>Subcontracted Scopes of Work</th>
<th>Utilization Plan %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction management, program controls, project administration services</td>
<td>35%</td>
</tr>
</tbody>
</table>

- AECOM has achieved 35% to date
- Vendor performance is good to date

### Consigli Utilization Plan

<table>
<thead>
<tr>
<th>Subcontracted Scopes of Work</th>
<th>Utilization Plan %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resinous Flooring, Masonry, Plumbing, Door Frames &amp; Hardware, HVAC, Drywall &amp; Ceilings, Electric &amp; Lighting, Painting, Plumbing</td>
<td>31%</td>
</tr>
</tbody>
</table>

- Consigli has achieved 40% to date
- Vendor performance is excellent to date
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