

CAPITAL COMMITTEE  
MEETING AGENDA

March 11, 2024

10:00am

50 Water Street, 17<sup>th</sup> floor Boardroom

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**CALL TO ORDER**

**José Pagán**

- **ADOPTION OF MINUTES – January 19, 2024**

**José Pagán**

- **VICE PRESIDENT’S REPORT**

**Manuel Saez, PhD**

**ACTION ITEMS**

- **Resolution** **Leora Jontef**

Authorizing New York City Health and Hospitals Corporation (the “System”) to sign a 10-year lease with Coney Island Associates Retail 2 LLC (“Developer”) for approximately 6,250 sq. ft. on the 1st floor of a to-be-constructed building at 2932 West 16th Street in Coney Island (the “Premises”) to house the Behavioral Health and Chemical Dependency practice (the “Practice”) of the Ida G. Israel Community Health Clinic (the “Clinic”) operated by NYC Health + Hospitals/South Brooklyn Health (the “Facility”) now operating on an adjacent lot for a yearly rent of \$25/sq. ft. to be escalated by 10% after 5 years plus the provision of 10 parking spaces charged at \$150/month for each parking space; provided that Developer will build out the Premises to the System’s specifications within a budget of \$2.5M, with the System paying Developer \$2M of this expense ; and provided further that the System shall hold two 5-year options to renew the lease with the rent during the first renewal term to be at the higher of 95% of fair market value or 10% over the prior rent and with the rent for the second renewal term to be at a 10% increase over the prior rent with the rent over the entire potential 20-year term totaling approximately \$3,985,781.

**Vendex:** NA

**EEO:** NA

- **Resolution** **Manuel Saez**

Authorizing the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) to execute a contract with Holt Construction Corp. (the “Contractor”), to undertake a gut renovation at NYC Health + Hospitals/Jacobi Medical Center’s (“**Jacobi**”) 11E operating rooms, along with dedicated support areas to maximize efficient use of Jacobi and to modernize and meet the needs of an expanding community, for a contract amount of \$8,128,692 with a 15% project contingency of \$1,219,304 to bring the total cost not to exceed \$9,347,996.

**Vendex:** Approved

**EEO:** Approved

- **Resolution** **Manuel Saez**

Authorizing the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) to execute a contract with Crescent Contracting Corp. (the “Contractor”), to undertake a project to

install sprinklers and fire alarms in the administrative offices of Building #4 of NYC Health + Hospitals/Jacobi Medical Center for a contract amount of \$8,251,375, with a 15% project contingency of \$1,237,706, to bring the total cost not to exceed \$9,489,081.

**Vendex:** Approved

**EEO:** Approved

- **Resolution**

**Manuel Saez**

Authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a contract with Ark Systems Electrical Corp. (the "Contractor"), to undertake a fire alarm upgrade of Building #1 of NYC Health + Hospitals/Jacobi Medical Center for a contract amount of \$10,800,000, with a 15% project contingency of \$1,620,000, to bring the total cost not to exceed \$12,420,000.

**Vendex:** Approved

**EEO:** Approved

- **Resolution**

**Manuel Saez**

Authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a contract with Atlantic Specialty, Inc. (the "Contractor"), to undertake a parking garage renovation project of the main building of NYC Health + Hospitals/Lincoln Hospital for a contract amount of \$4,708,790, with a 20% project contingency of \$941,758, to bring the total cost not to exceed \$5,650,548.

**Vendex:** Approved

**EEO:** Approved

## **OLD BUSINESS**

## **NEW BUSINESS**

## **ADJOURNMENT**

# **CAPITAL COMMITTEE MINUTES**

**January 19, 2024**

**Capital Committee Meeting – January 19, 2024**

**As reported by:** José Pagán

**Committee Members Present:** Mitchell Katz, MD, José Pagán, Erin Kelly, Karen St. Hilarie, Sally Hernandez-Piñero – virtually in a listening capacity only

Mr. José Pagán called the meeting to order at 11:38 a.m.

Mr. Pagán called for a motion to approve the December 4, 2023 minutes of the Capital Committee meeting and stated that Erin Kelly would be representing Deputy Mayor Anne Williamson, and Karen St. Hilarie would be representing Molly Wasow Park, both in a voting capacity.

Sally Hernandez-Piñero – virtually in a listening capacity only.

**Upon motion made and duly seconded the minutes of the Capital Committee meeting held on December 4, 2023, were unanimously approved.**

**VICE PRESIDENT REPORT**

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

Mr. Saez noted that the last month of the year proved to be an eventful one.

Over the Christmas weekend, water and petroleum infiltrated the Women's Health Pavilion elevator pit at NYC H+H Elmhurst. Our Emergency vendor along with our elevator maintenance vendor responded and provided resources expeditiously to pump and dry the elevators pits, and were able to identify and repair the cause of the infiltration, allowing the elevators to be placed back into operation.

In the NYC H+H Lincoln emergency room, a patient was unfortunately able to break a sprinkler head, resulting in massive amount of water distribution. Teams worked around the clock to stop the water and perform clean up and repairs to allow affected areas to resume providing care to patients as quickly as possible.

As a result of the recent events at NYC H+H Woodhull, the department is in the process of working to identify short-term projects that will address our resiliency needs and have a positive impact on the maintenance efforts at our facilities.

Final selection of a vendor of our Facilities Work Order Management System is approaching, and further updates will be available later in

the year. This is a computerized system developed to help our staff across the System create and manage work order for repairs or maintenance, creation and ongoing management of a preventive maintenance program, reporting, and regulatory preparedness.

Mr. Saez advised that there would be three items for consideration by the Board – The Just Home Project in collaboration with CHS, a request to award a contract for the replacement of the roof at Woodhull Hospital also in collaboration with CHS, and a request to award a JOC contract for Electrical Construction services.

Leora Jontef read the resolution for consideration:

**Authorizing New York City Health and Hospitals Corporation (the "System") to execute a 99 year sublease (including tenant renewal options) with The Fortune Society, Inc. or an affiliate housing development fund corporation formed for the transaction ("Fortune"), of the 6 story Building 2: Staff House containing approximately 55,000 square feet (the "Building") and the land on which it is located measuring approximately 30,000 square feet including surrounding grounds and 10 parking spots (the "Property") on the NYC Health + Hospitals/Jacobi ("Jacobi") campus to be renovated to create a multifamily residential building with 84 units of affordable housing for households earning less than 80% Area Median Income (AMI), community rooms, a lobby, and onsite social service suite including 58 permanent supportive housing units for formerly-incarcerated, medically-complex individuals who would otherwise be homeless, 25 units of affordable rental housing for low income households and 1 live-in super's unit at no charge other than an annual lease servicing fee of \$12,000 increasing by 5% every five years; and**

**Authorizing the System to enter into a 15-year contract with Fortune to provide on-site comprehensive supportive services for the Building's residents at an annual cost of \$1,050,000 a year for a total cost over such term not to exceed \$15,750,000.**

Ms. Jontef and Ellie Epstein, Assistant Vice President narrated a presentation providing background information, services to be provided, terms of the lease and timeline. They were joined by Chris Mastromano, Chief Executive Officer, Ellen Barlis, Deputy Executive Director, NYC Health + Hospitals/Jacobi.

Mr. Pagán asked on behalf of Freda Wang after her review of the materials distributed on January 12, 2024 to the Board Member:

- how renewals under the 99-year sublease would be handled. Ms. Jontef said that they were accounting for the maximum term in the agreement. Mr. Berman added that tenant options accumulate to 99 years but the spacing of the options are subject to negotiation.

- Mr. Pagán asked for an explanation of the reference to an affiliate in the resolution. Mr. Berman said that all HPD deals are done with Housing Development Finance Corporations (HDFCs) formed under housing finance law that qualify for tax exemptions and participate in HPD loan programs. Deals are most commonly initiated with the developer and then over the course of the deal the developer forms an HDFC to be the named tenant to qualify for the criteria. All these deals work off the same HPD term sheets which specify the terms of HPD financing and then the remaining gap in financing the developer is expected to fill with community loans. Another investment piece comes from tax credit finance investors. They come into the deal and have some ownership participation. The HDFC is the entity that is put forward but behind it is Fortune Society and these tax credit investors that form a Limited Liability Corporation (LLC) that stand behind the HDFC.

Dr. Katz noted that while the word affiliate may indicate that the lease could be with someone other than Fortune, the explanation confirms that that any other entity would need to fit the narrow, regulated format and would require approval by the City and State. Mr. Berman agreed, and added that one entity is listed as the "active" entity and that entity is Fortune Society.

Dr. Katz asked what would happen if Fortune dissolved. Mr. Berman said there were very strict provisions for who can succeed. The space is highly regulated.

- Mr. Pagán asked how Fortune was selected. Ms. Jontef said there were over 40 names on the HPD pre-qualified list and HPD assess capacity and pipeline when making determination.
- Mr. Pagán asked how the servicing fee was determined. Ms. Jontef said that was calculated to offset time invested in the project and overhead but without overburdening the project.
- Mr. Pagán asked what would happen if the annual cap was exceeded. Ms. Epstein said that the cap presented was slightly above standard provision for comparable supportive housing and the City did think it appropriate but there would be additional sources of funding anticipated to be leveraged by Fortune such as Medicaid funded services.
- Mr. Pagán asked what would happen after the lease expires. Ms. Jontef said that most likely the City would step in to renew and support.

- Mr. Pagán asked how Fortune plans to require tenants to engage in community programs. Ms. Epstein said once leases are signed there is not a requirement to engage but this is a small patient population that CHS comes to know quite well and knowing the clinical needs and personal desires helps indicate those that would be a good fit. Fortune then performs their own rigorous housing application process. The goal, through that screening process, is that the right people are selected. Residents are not required to participate in activity but are required to meet the terms of their lease.
- Mr. Pagán asked for confirmation that Fortune carries all costs of managing the building. Ms. Jontef said yes.
- Mr. Pagán asked if the resolution language could be revised to clarify the leased space includes a lobby and suite for administration of services. Mr. Berman said that would be done.
- Mr. Pagán asked that the lease term be corrected to clarify 50 or 55 years and that the term "staff" be expanded on. Mr. Berman said that would be done.

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

Mr. Saez read the resolution for consideration:

**Authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a contract with Zaman Construction Corp (the "Contractor"), to undertake a roof replacement of NYC Health + Hospitals/Woodhull Hospital as part of Correctional Health Services ("CHS") Outposted Therapeutic Housing Units ("OTxHU"), for a construction contract amount of \$16,096,003, with an 11% construction contingency of \$1,778,981, to bring the total construction cost not to exceed \$17,874,984 with the project anticipated to start in March 2024 for a duration of 12 months.**

Oscar Gonzalez, Senior Assistant Vice President, narrated a presentation providing background information, overview of project scope, solicitation process, contract terms, MWBE status, and project budget. Mr. Gonzalez was joined by Cary Cheung, Senior Assistant Vice President, Correctional Health Services.

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

Mr. Saez read the resolution for consideration:



**Authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a requirements contract with Polaris Electrical Construction Corp. (the "Contractor"), for a not to exceed amount of \$8,000,000, to provide electrical related 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 resolution was approved for consideration by the Board of Directors.

There being no further business, the Committee Meeting was adjourned at 12:19 p.m.



## **VICE PRESIDENT'S REPORT**

## Capital Committee Vice President Report March 11, 2024

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- We have had a very busy beginning of 2024 in the Office of Facilities Development.
- There has been substantial work on critical infrastructure projects, including the installation of temporary boilers at Harlem, refurbishment of the Lincoln chillers, achieving the 50% project completion milestone of our Bellevue Co-Generation construction, kicking off McKinney's Comprehensive Energy Efficiency Project, and the new Coler generator becoming operational. These projects are supporting our ongoing efforts to modernize our aging infrastructure systems to ensure we can continue providing healthcare services in a modern and safe environment.
- Our Design Build Program is progressing well with the three Brooklyn Borough President funded Women's Health initiatives in active solicitation. We are actively exploring utilizing the Design Build delivery method on future projects to bring additional efficiencies to our Capital Program.
- Other updates include that a Federal emergency declared for the Storm Ophelia in September, which allows us to request grant funding to support mitigation and repair from damages at Woodhull. The Behavioral Health certified beds all came online by the end of 2023, with our teams working to ensure that we met the State Deadline.
- We have completed the renovation of the Harlem L&D project. Final punch list items and clean up occurred this past weekend. The renovation has transformed the L&D into a modern suite. The project included independent humidity and temperature control of each OR suite, new flooring, sinks, mill work, lighting, flooring and painting.
- We have a very full agenda this month with 6 items: A lease agreement for additional clinic space for South Brooklyn Health, three projects at Jacobi Hospital – one OR renovation and two infrastructure projects, and a parking garage renovation at Lincoln.

# **LEASE AGREEMENT**

**CONEY ISLAND ASSOCIATES RETAIL 2, LLC**

**BEHAVIORAL HEALTH & CHEMICAL  
DEPENDENCY PRACTICE AT IDA G. ISRAEL  
COMMUNITY HEALTH CLINIC**

**NYC HEALTH + HOSPITALS / SOUTH BROOKLYN  
HEALTH**

## RESOLUTION

Authorizing New York City Health and Hospitals Corporation (the “**System**”) to sign a 10-year lease with Coney Island Associates Retail 2 LLC (“**Developer**”) for approximately 6,250 sq. ft. on the 1<sup>st</sup> floor of a to-be-constructed building at 2932 West 16<sup>th</sup> Street in Coney Island (the “**Premises**”) to house the Behavioral Health and Chemical Dependency practice (the “**Practice**”) of the Ida G. Israel Community Health Clinic (the “**Clinic**”) operated by NYC Health + Hospitals/South Brooklyn Health (the “**Facility**”) now operating on an adjacent lot for a yearly rent of \$25/sq. ft. to be escalated by 10% after 5 years plus the provision of 10 parking spaces charged at \$150/month for each parking space; provided that Developer will build out the Premises to the System’s specifications within a budget of \$2.5M, with the System paying Developer \$2M of this expense ; and provided further that the System shall hold two 5-year options to renew the lease with the rent during the first renewal term to be at the higher of 95% of fair market value or 10% over the prior rent and with the rent for the second renewal term to be at a 10% increase over the prior rent with the rent over the entire potential 20-year term totaling approximately \$3,985,781.

**WHEREAS**, in 2012, Hurricane Sandy destroyed the Clinic’s rented space in the Coney Island neighborhood forcing its urgent relocation; and

**WHEREAS**, in 2013, New York City Department of Housing Preservation and Development (“**HPD**”) licensed the Clinic’s current location to the System for the Clinic’s operation with the warning that the location was slated for the development of affordable housing as part of a three-phase development plan with an unspecified schedule; and

**WHEREAS**, Phase I of HPD’s development plan is completed, Phase II involving the construction of the 2<sup>nd</sup> building that will house the Clinic is nearing completion and Phase III is to start in the near future with the construction of the 3<sup>rd</sup> building to be on the Clinic’s current site; and

**WHEREAS**, in November 2021 the Board approved a lease for the Clinic, excluding the Practice, to occupy space in the Phase II building when the space is ready with the expectation that the Practice would relocate to the NYC Health + Hospitals/South Brooklyn Health campus; and

**WHEREAS**, System leadership has since determined that it is necessary that the Practice remain near its current location and thus a second lease has been negotiated with Developer for additional space in the Phase II building close to, but not a part of, the space the rest of the Clinic will occupy; and

**WHEREAS**, when it becomes necessary to move because of the construction of the 3<sup>rd</sup> building in the HPD plan or when space is ready at the Premises, the Clinic and the Practice, as currently operated, will move to the Premises; and

**WHEREAS**, the Premises will be leased to the System at a lower rent than was charged two years ago to the NYC Human Resources Administration for a much larger space in the Phase I building; and

**WHEREAS**, the administration of the proposed lease will be the responsibility of the Executive Director of the Facility.

**NOW THEREFORE, IT IS RESOLVED THAT** New York City Health and Hospitals Corporation (the “**System**”) be and it hereby is authorized to sign a 10-year lease with Coney Island Associates

Retail 2 LLC (“**Developer**”) for approximately 6,250 sq. ft. on the 1<sup>st</sup> floor of a to-be-constructed building at 2932 West 16<sup>th</sup> Street in Coney Island (the “**Premises**”) to house the Behavioral Health and Chemical Dependency practice (the “**Practice**”) of the Ida G. Israel Community Health Clinic (the “**Clinic**”) operated by NYC Health + Hospitals/South Brooklyn Health (the “**Facility**”) now operating on an adjacent lot for a yearly rent of \$25/sq. ft. to be escalated by 10% after 5 years plus the provision of 10 parking spaces charged at \$150/month for each parking space; provided that Developer will build out the Premises to the System’s specifications within a budget of \$2.5M, with the System paying Developer \$2M of this expense ; and provided further that the System shall hold two 5-year options to renew the lease with the rent during the first renewal term to be at the higher of 95% of fair market value or 10% over the prior rent and with the rent for the second renewal term to be at a 10% increase over the prior rent with the rent over the entire potential 20-year term totaling approximately \$3,985,781.

**EXECUTIVE SUMMARY  
LEASE OF 2,500 SQ. FT. FOR  
IDA G. ISRAEL COMMUNITY HEALTH CENTER**

**BACK  
GROUND:**

Ida G. Israel Community Health Clinic (the “**Clinic**”) has been in a 13,000 sq. ft. prefabricated structure on an otherwise vacant lot in Coney Island licensed by NYC Housing Preservation and Development (“**HPD**”) since 2013 after having to urgently relocate from its prior rented space that was destroyed by Hurricane Sandy in 2012. The current site is part of a three-block assemblage that HPD has designated for a mixed-use affordable housing building with ground floor retail. NYC Human Resources Administration (“**HRA**”) has already taken occupancy of about 30,000 sq. ft. in the first of the three phases, which was recently completed. The construction of the 2<sup>nd</sup> building is nearing completion and, at that time, the Clinic will have to relocate to make way.

In November 2021, the Board approved a lease for the Clinic, excluding the Practice, to occupy space in the Phase II building when the space is ready with the expectation that the Practice would relocate to the NYC Health + Hospitals/South Brooklyn Health campus. At the time, it was thought that the Practice would be among the ambulatory care programs established in the Facility’s former bed tower. Subsequently, however, System leadership has determined that it is necessary that the Practice remain near its current location and thus a second lease has been negotiated with Developer for additional space in the Phase II building close to, but not a part of, the space the rest of the Clinic will occupy

**PROPOSED  
PROGRAM:**

Currently the Clinic offers the following services: Behavioral Health, Substance Use Disorder, Dentistry, Family Medicine. The part of the Clinic’s programs focused on Family Medicine, will be relocated to the new space to be rented pursuant to the lease authorized by the Board in November 2021, on the first floor of the 2<sup>nd</sup> building in 2,500 sq. ft.

The Practice, consisting of Behavioral Health and Substance Use Disorder services will be relocated to the first floor of the 2<sup>nd</sup> building in 6,250 sq. ft. to be leased pursuant to the authority granted in this Resolution.

Dentistry will be move to the NYC Health + Hospitals/South Brooklyn Health campus.

**TERMS:**

The proposed lease will be with Coney Island Retail 2 LLC (“**Developer**”). HPD selected the Developer to develop Phase II (Block 7602). The lease will have an initial 10-year term and the System will hold two 5-year options to renew. The initial rent for the Premises will be at \$25/sq. ft. and will increase by 10% after 5 years. The rent during the first of the option terms will be at the greater of 95% of fair market value or 10% above the prior rent. Rent during the 2<sup>nd</sup> five-year option term will be at 10% over the prior rent. Developer will build out the Premises to the System’s specifications within a budget of \$2.5M, with Developer paying \$500,000 of this cost and the System paying \$2M. The System will pay its share of the fit-out cost as work progresses.

The Developer will also provide H+H with ten parking spaces for staff. These will be charged at \$150/month for each parking space for an additional annual charge of \$18,000.

The proposed lease will also require the payment of condominium common charges calculated at the System’s prorated share of the Developer’s operating expenses based on the size of the Premises. This item is expected to be negligible because the operating expenses will consist

of only insurance and the cost of a small management staff and because the System's share of the building will be only 1%.

Retail and commercial are new to this neighborhood and there are few comparable new buildings of similar size within the vicinity. Therefore, it is difficult to establish fair market value. It should be noted, however, that three years ago, HRA leased 30,000 sq. ft. at \$32/ft in the Phase I building, adjacent to this development site II. Because rent on the proposed lease will be at only \$25/ft. and because it is typical for tenants renting large blocks of space to pay at lower rates than tenants renting smaller blocks, it seems that the System will benefit from a below market rent.

# **New Ida G. Israel Community Health Center— Behavioral Health and Chemical Dependency Practice**

**NYC Health and Hospitals/South Brooklyn Health  
Lease with BFC Development Partners**

**Capital Committee Meeting**

**March 11, 2024**

**Svetlana Lipyanskaya, CEO, NYC H+H/South Brooklyn Health  
Leora Jontef, Assistant Vice President, Housing+Real Estate**





# For Capital Committee Consideration

Authorizing New York City Health and Hospitals Corporation (the “**System**”) to sign a 10-year lease with Coney Island Associates Retail 2 LLC (“**Developer**”) for approximately 6,250 sq. ft. on the 1<sup>st</sup> floor of a to-be-constructed building at 2932 West 16<sup>th</sup> Street in Coney Island (the “**Premises**”) to house the Behavioral Health and Chemical Dependency practice (the “**Practice**”) of the Ida G. Israel Community Health Clinic (the “**Clinic**”) operated by NYC Health + Hospitals/South Brooklyn Health (the “**Facility**”) now operating on an adjacent lot for a yearly rent of \$25/sq. ft. to be escalated by 10% after 5 years plus the provision of 10 parking spaces charged at \$150/month for each parking space; provided that Developer will build out the Premises to the System’s specifications within a budget of \$2.5M, with the System paying Developer \$2M of this expense ; and provided further that the System shall hold two 5-year options to renew the lease with the rent during the first renewal term to be at the higher of 95% of fair market value or 10% over the prior rent and with the rent for the second renewal term to be at a 10% increase over the prior rent with the rent over the entire potential 20-year term totaling approximately \$3,985,781.

## Background: Ida G. Israel Community Health Center

- Hurricane Sandy destroyed the Ida G. Israel Community Health Center on Neptune Ave.
- Since July 2014, the Board of Directors has authorized license agreements with NYC HPD for the occupancy of seven lots on Block 7061 for the temporary clinic.
- In May 2021, the Board of Directors approved a renewal with NYC HPD for one year with five successive terms with no occupancy fee.



- This block will host Phase 3 of HPD Coney Island redevelopment. Development is projected to soon after H+H vacates the site.
  - Dental moves to main campus
  - Family Practice and Chemical Dependency move to new building on Surf Ave

# Opportunity: New Ida G. Israel Chemical Dependency Site

- Phase 2 of Coney Island redevelopment of City owned land began construction December 2021.
- ~\$182M investment to create 376 units of affordable housing financed by the City.
- 20,000 SF of community and retail space.
- In November 2021, the Board approved a 2,500 SF lease for the clinic's primary care practice which is nearly ready for occupancy.
- The Chemical Dependency practice planned to move to South Brooklyn Health campus; however, retaining the practice in the neighborhood has become a new priority.
  - This necessitated a second lease in the same building but in separate space to house this function.



# Lease Terms

- NYC Health and Hospitals/South Brooklyn Health will occupy 6,250 SF at 2932 West 16th Street, Brooklyn, NY.
- A 10 year lease term will commence upon execution of the lease with two 5-year options.
- Base Rent: \$25/square foot to escalate 10% after five years.
  - During the first renewal term, rent shall be set the higher of 95% of fair market value or 10% over the prior rent
  - During the second renewal term, rent will be set 10% over the prior rent
  - This rate of \$25/ square foot for the new space is less than the previous negotiated rate of \$30/square foot for the primary care practice
- Parking: \$150/month/space/month for up to 10 spaces will be \$18,000/year.
- The total annual occupancy fee for base rent and parking over the potential 20-year term will be approximately \$3,985,781.
- System will also pay \$2M in additional costs to the developer to build out premises to the system's specification. Landlord contribution will be \$500,000.

	Lease Term	Option 1	Option 2
	Year 1-10	Year 11-15	Year 15-20
<b>Base Rent</b>	\$ 1,640,625	\$ 945,313	\$ 1,039,844
<b>Parking</b>	\$ 180,000	\$ 90,000	\$ 90,000
<b>TOTAL</b>	\$ 1,820,625	\$ 1,035,313	\$ 1,129,844
		Approx 20 year	\$ 3,985,781
		occupancy cost	

# Capital Committee Approval Request

Authorizing New York City Health and Hospitals Corporation (the “**System**”) to sign a 10-year lease with Coney Island Associates Retail 2 LLC (“**Developer**”) for approximately 6,250 sq. ft. on the 1<sup>st</sup> floor of a to-be-constructed building at 2932 West 16<sup>th</sup> Street in Coney Island (the “**Premises**”) to house the Behavioral Health and Chemical Dependency practice (the “**Practice**”) of the Ida G. Israel Community Health Clinic (the “**Clinic**”) operated by NYC Health + Hospitals/South Brooklyn Health (the “**Facility**”) now operating on an adjacent lot for a yearly rent of \$25/sq. ft. to be escalated by 10% after 5 years plus the provision of 10 parking spaces charged at \$150/month for each parking space; provided that Developer will build out the Premises to the System’s specifications within a budget of \$2.5M, with the System paying Developer \$2M of this expense ; and provided further that the System shall hold two 5-year options to renew the lease with the rent during the first renewal term to be at the higher of 95% of fair market value or 10% over the prior rent and with the rent for the second renewal term to be at a 10% increase over the prior rent with the rent over the entire potential 20-year term totaling approximately \$3,985,781.

**CONTRACT APPROVAL**

**HOLT CONSTRUCTION CORP.**

**11 E OPERATING ROOM RENOVATION**

**NYC HEALTH + HOSPITALS / JACOBI**

## **RESOLUTION**

Authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a contract with Holt Construction Corp. (the "Contractor"), to undertake a gut renovation at NYC Health + Hospitals/Jacobi Medical Center's ("Jacobi") 11E operating rooms, along with dedicated support areas to maximize efficient use of Jacobi and to modernize and meet the needs of an expanding community, for a contract amount of \$8,128,692 with a 15% project contingency of \$1,219,304 to bring the total cost not to exceed \$9,347,996.

**WHEREAS**, Jacobi's 11E Operating Rooms ("ORs") are located in Building 1 and consist of four ORs that have not been in service since 2008 when the Building 6 ORs were put into service; and

**WHEREAS**, there is a current need to provide additional ambulatory surgery capacity, to alleviate the Building 6 demand, and enhance patient services; and

**WHEREAS**, the 11E ORs were built in 1955 and cannot be utilized until they are renovated to meet current regulations, guidelines and codes, and

**WHEREAS**, in order to meet the identified additional capacity needs, it has been determined that Jacobi should undertake a gut renovation and modernization of the 11E ORs to provide for three new ORs, a centralized nurses station with eight post/pre op rooms, a new reception area, the installation of new medical gas lines, and MEP upgrades throughout the space which shall include multi-specialty and ambulatory surgery including, but not limited to, ophthalmology, breast, hand, sports, GI, GU Minor, Simple laparoscopy, hand, sports, GI, GU Minor, and simple laparoscopy, and

**WHEREAS**, in accordance with Operating Procedure 100-5 a solicitation was issued on December 13, 2023, pursuant to which bids were received and publicly opened on February 6, 2024, and NYC Health + Hospitals determined that the Contractor submitted the lowest responsible bid; and

**WHEREAS**, the Contractor has met all, legal, business and technical requirements and is qualified to perform the services as required in the contract documents; and

**WHEREAS**, the overall responsibility for the administration of the proposed contract shall be with the Vice President, Facilities Development.

**NOW, THEREFORE, be it**

**RESOLVED** that the New York City Health and Hospitals Corporation be and hereby is authorized to execute a contract with BA Construction Corp. in the amount of \$8,128,692 to undertake a renovation at NYC Health + Hospitals/Jacobi Medical Center's 11E Operating Rooms.



**EXECUTIVE SUMMARY**  
**JACOBI MEDICAL CENTER**  
**BUILDING #1 – 11E OPERATING ROOMS**  
**HOLT CONSTRUCTION CORP.**

**CONTRACT SCOPE:** General Construction Work

**NEED:** NYC Health + Hospitals facilities requires general construction services to undertake the 11E Operating Rooms Project at Jacobi Medical Center provide additional ambulatory surgery capacity, to alleviate the Building 6 demand, and enhance patient services.

**CONTRACT DURATION:** Twelve months; slated to commence summer 2024 with anticipated completion in summer of 2025

**PROCUREMENT:** A competitive sealed bid was issued on December 13, 2023; nine contractors attended the pre-bid on site tours on 12/13/2023 and 12/14/2023; nine bids were received by the bid due date of 2/6/2024 with the low, responsible and responsive bidder being Holt Construction Corp. for a contract not to exceed total of \$9,347,996.

**PRIOR EXPERIENCE:** Vendor has worked with DASNY on two significant projects and has completed many private-sector healthcare projects.

**CONTRACT AMOUNT:** Not to Exceed \$9,347,996.

**PASSPORT APPROVAL:** Approved

**EEO APPROVAL:** Approved

**MWBE STATUS:** Contractor has committed to a 38% MWBE contract goal.





To: Colicia Hercules  
Chief of Staff, Office of the Chair

From: Franco Esposito *Franco Esposito*  
Senior Counsel  
Office of Legal Affairs

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

Vendor: Holt Construction Corp.

Date: February 22, 2024

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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:

**Vendor Responsibility**

Approved

**EEO**

Approved

**MWBE**

38.2%

**Request to Award Contract to  
Holt Construction Corp  
for 11E ORs  
at NYC H+H/ Jacobi Medical Center – Building #1**

**Capital Committee  
March 11, 2024**

**Christopher Mastromano, Chief Executive Officer, NYC H+H/Jacobi  
Ellen Barlis, Chief Financial Officer, NYC H+H/Jacobi  
Hiba Hadeed, Director of Design & Construction, NYC H+H/Jacobi  
Manuel Saez, PhD, Vice President, OFD  
Oscar Gonzalez, Senior Assistant Vice President, OFD  
Erin Egan, Senior Director, OFD**



## For Capital Committee Consideration

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- Authorizing the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) to execute a contract with Holt Construction Corp. (the “Contractor”), to undertake a gut renovation at NYC Health + Hospitals/Jacobi Medical Center’s (“Jacobi”) 11E operating rooms, along with dedicated support areas to maximize efficient use of Jacobi and to modernize and meet the needs of an expanding community, for a contract amount of \$8,128,692 with a 15% project contingency of \$1,219,304 to bring the total cost not to exceed \$9,347,996.



## Program Background/ History

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- 11E four (4) operating rooms are original to Jacobi Medical Center Building #1 built in 1955, located on the 11<sup>th</sup> floor.
- The operating rooms in Building #1 have not been in service since 2008 when the Building #6 ORs were placed into service.
- Renovations in Building #1 ORs will require significant upgrades of the space to meet today's regulations, guidelines, and code standards.
- Renovating 11E OR for ambulatory surgery will provide critical OR capacity, alleviate the demand at building #6 Operating Rooms, and enhance services to patients.



# Construction Scope & Schedule

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- Jacobi, Building 1, 11E OR:
  - Complete interior gut renovation of existing 11E Operating Rooms to provide three (3) new operating rooms with dedicated support areas
  - Provide centralized nurse station with eight (8) pre/post rooms
  - Provide new reception and waiting area
  - Installation of new Medical Gas lines
  - Mechanical, Electrical and Plumbing upgrades throughout the space
  - The new space would provide multi-specialty and ambulatory surgery including but not limited to: Ophthalmology, Breast (with or without imaging), Hand, Sports, GI, GU Minor, Simple laparoscopy (Hernias, Ambi Gallbladders).
  - Construction is expected to begin Summer 2024 with completion expected by Summer 2025 (12 Months)





# Overview of Procurement

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- 12/13/2023 & 12/14/2023 : Site tours for bidders; 9 Total contractors attended
- 2/6/2024: Bid due date, 9 bids received
- 2/15/2024: Determination of low bid finalized, and Holt Construction Corp. was selected based on the lowest bid amount and responsibility requirements.



# Construction Contract

- Sourced via public bid
- Holt Construction Corp. was the lowest of nine (9) bidders
- Contract amount is \$8,128,692
- Expected to begin Summer 2024 and complete after 12 months in Summer 2025
- Holt Construction Corp. has committed to a 38% MWBE subcontractor utilization plan presented below:

Subcontractor	Certification	Supplies/Services	Utilization Plan %	Utilization \$s
Cardoza Plumbing	MBE	Plumbing	15%	\$1,219,304
Women in Mechanical	WBE	Sprinklers	1%	\$81,287
Architectural Forms	MBE	drywall	9%	\$731,582
Pyramid Flooring	WBE	Flooring	2%	\$162,572
Lightsmith	MBE	Lighting	3%	\$243,861
Premium Millwork	MWBE	Millwork	4%	\$325,148
Silver Slate	MWBE	Tile	1%	\$81,287
Accurate Doors & Hardware	MWE	Doors & Hardware	3%	\$243,861
<b>Total</b>			<b>38%</b>	<b>\$3,088,903</b>





# Construction Contract

- Holt Construction has worked with DASNY at Medgar Evers Library approx. 5,000 SF for \$15M. The project consisted of gut renovations of the existing building, front of building expansion, adding a mezzanine with glass stairs & railing, and power upgrades throughout.
- Holt Construction has worked with DASNY at LaGuardia Admin Office fit approx. 10,000 SF for \$3 mil. The project consisted of buildout of full floor, new offices with demountable partitions, installation of new HVAC system, and modifying Sprinkler & Plumbing work.
- Holt Construction has worked with a number of healthcare facilities:
  - Atlantic Health System (\$13.5M)- Ambulatory Care Center and medical office building (90,000 SF). Holt completed demolition and construction of a family medicine / urgent care center with comprehensive imaging capabilities including X-ray, MRI, central registration and pre-admission testing.
  - Good Samaritan Hospital (\$5.9M) – CT and MR suites (12,000 SF). Holt completed full demolition of the existing radiology areas, scope included installation of new MRI machines, CT scanners, and recovery bays as well as new rooftop air handling units.
  - NYU Langone Medical Center - (\$3.6M)Neurology ICU on the 4th floor (15,000 SF). Holt installed new headwall units and focusable LED surgical lighting. Air handling units, power distribution equipment, lounges, offices, and other facilities was also constructed / renovated throughout multiple floors of the hospital.
- Holt construction Corp. references reviews were excellent.



- Authorizing the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) to execute a contract with Holt Construction Corp. (the “Contractor”), to undertake a gut renovation at NYC Health + Hospitals/Jacobi Medical Center’s (“Jacobi”) 11E operating rooms, along with dedicated support areas to maximize efficient use of Jacobi and to modernize and meet the needs of an expanding community, for a contract amount of \$8,128,692 with a 15% project contingency of \$1,219,304 to bring the total cost not to exceed \$9,347,996.



**CONTRACT APPROVAL**

**CRESCENT CONTRACTING CORP.**

**BLDG. 4 FIRE ALARM & SPRINKLER UPGRADE**

**NYC HEALTH + HOSPITALS / JACOBI**

## **RESOLUTION**

Authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a contract with Crescent Contracting Corp. (the "Contractor"), to undertake a project to install sprinklers and fire alarms in the administrative offices of Building #4 of NYC Health + Hospitals/Jacobi Medical Center for a contract amount of \$8,251,375, with a 15% project contingency of \$1,237,706, to bring the total cost not to exceed \$9,489,081.

**WHEREAS**, Jacobi Medical Center's ("Jacobi") Building #4 and adjacent rotunda auditorium building were built in 1976 and while previously serving as a nurse's residence, currently house administrative offices; and

**WHEREAS**, the buildings are currently partially sprinklered and lack fire alarms; and

**WHEREAS**, in order to meet current guidelines and best practices, it has been determined that a project should be undertaken to install sprinklers throughout the buildings, fire alarm devices at various locations, a new fire pump room along with associated water service, and electrical connections to support the new system; and

**WHEREAS**, in accordance with Operating Procedure 100-5 a solicitation was issued, pursuant to which bids were received and publicly opened on February 15, 2024, and NYC Health + Hospitals determined that the Contractor submitted the lowest responsible bid; and

**WHEREAS**, the Contractor has met all, legal, business and technical requirements and is qualified to perform the services as required in the contract documents; and

**WHEREAS**, the overall responsibility for the administration of the proposed contract shall be with the Vice President, Facilities Development.

**NOW, THEREFORE, be it**

**RESOLVED** that the New York City Health and Hospitals Corporation be and hereby is authorized to execute a contract with Crescent Contracting Corp. in the amount of \$8,251,375 to undertake the installation of sprinklers and fire alarms along with associated other equipment at NYC Health + Hospitals/Jacobi Medical Center, Building #4 and adjacent rotunda auditorium building.

**EXECUTIVE SUMMARY  
JACOBI MEDICAL CENTER  
SPRINKLER AND FIRE ALARM CONTRACT  
CRESCENT CONTRACTING CORP.**

<b>CONTRACT SCOPE:</b>	Sprinkler and fire alarm installation
<b>NEED:</b>	NYC Health + Hospitals facilities needs general construction services to undertake the sprinkler and fire alarm project at Jacobi Medical Center in order to meet current guidelines and standards.
<b>CONTRACT DURATION:</b>	12 months, slated to commence Summer of 2024 with anticipated completion in Summer 2025.
<b>PROCUREMENT:</b>	A competitive sealed bid was issued on January 26, 2024, six contractors attended the pre bid on site visits on 2/1/2024 and 2/2/2024; only one contractor submitted a bid. The bid was opened on February 15, 2024 and Crescent Contracting Corp. was determined the low, responsible and responsive bidder for a contract not to exceed total of \$9,489,081.
<b>PRIOR EXPERIENCE:</b>	Crescent Contracting Corp. is a current vendor in NYC Health + Hospitals' JOCs plumbing pool. Their prior ratings in MOCS include one excellent, one good, and five satisfactory.
<b>CONTRACT AMOUNT:</b>	Not to Exceed \$9,489,081.
<b>PASSPORT APPROVAL:</b>	Approved
<b>EEO APPROVAL:</b>	Approved
<b>MWBE STATUS:</b>	Contractor has committed to a 30% MWBE contract goal.



To: Colicia Hercules  
Chief of Staff, Office of the Chair

From: Franco Esposito *Franco Esposito*  
Senior Counsel  
Office of Legal Affairs

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

Vendor: Crescent Contracting Corporation

Date: February 23, 2024

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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:

**Vendor Responsibility**

Approved

**EEO**

Approved

**MWBE**

30%

**Request to Award Contract to  
Crescent Contracting Corp.  
for Fire Alarm & Sprinkler Upgrade  
at NYC H+H/ Jacobi Medical Center – Building #4**

**Capital Committee  
March 11, 2024**

**Christopher Mastromano, Chief Executive Officer, NYC H+H/Jacobi  
Ellen Barlis, Chief Financial Officer, NYC H+H/Jacobi  
Hiba Hadeed, Director of Design & Construction, NYC H+H/Jacobi  
Manuel Saez, PhD, Vice President, OFD  
Oscar Gonzalez, Senior Assistant Vice President, OFD  
Erin Egan, Senior Director, OFD**

# For Capital Committee Consideration

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- Authorizing the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) to execute a contract with Crescent Contracting Corp. (the “Contractor”), to undertake a project to install sprinklers and fire alarms in the administrative offices of Building #4 of NYC Health + Hospitals/Jacobi Medical Center for a contract amount of \$8,251,375, with a 15% project contingency of \$1,237,706, to bring the total cost not to exceed \$9,489,081



# Program Background & Scope

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- Jacobi's building #4 is a 14 story building built in 1976 with an adjacent 1 story Rotunda auditorium building.
- The building previously used as a nurse's residence. The building currently houses administrative offices (Payroll, Finance, Nurse's Education, Simulation Center, OHS, HR etc.)
- The building currently has partial coverage for sprinklers
- The scope of the project is the installation of sprinklers throughout the main building, the rotunda, and adding fire alarm devices per the current layouts and use.
- Scope of work also includes:
  - New sprinklers throughout
  - New fire alarm devices
  - New fire pump room
  - New water service to support new pump room
  - New electrical connections to support the new system
- Construction start date of Spring 2024 - Completion date of Spring 2025 (12 months)

# Overview of Procurement

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- 2/1/24 & 2/2/24: Site tour for bidders; Six (6) vendors attended
- 2/15/24: Bid due date, one (1) proposals received.
  - Four of the five vendors who did not submit a proposal for this project provided a No Bid response indicating they decided not to submit a proposal.
- 2/21/24: Determination of low bid finalized, and Crescent Contracting Corp. was selected based on the lowest bid amount and responsibility requirements.

# Construction Contract

- Procurement is sourced via public bid
- Crescent Contracting Corp. is the only bidder
- Contract amount is \$8,251,375
- Crescent Contracting Corp. is a general contractor and is a current vendor in our JOCs Plumbing pool. The ratings listed in MOCs included 1 Excellent, 1 Good, and 5 Satisfactory.
- Constuction expected to begin Summer 2024 completion in expected in Summer 2025 (12 Months)
- Crescent Contracting Corp. has committed to a 30% MWBE subcontractor utilization plan presented

Subcontractor	Certification	Supplies/Services	Utilization Plan %	Utilization \$s
TJ Piping and Heating	MBE	Sprinkler	10%	\$825,138
Mac Fhionnghaile & Sons Electrical Contracting	WBE	Electrical	20%	\$1,650,275
<b>Total</b>			<b>30%</b>	<b>\$2,475,413</b>

# Performance Evaluation

Vendor Performance Evaluation Crescent Contracting Corp.	
DESCRIPTION	ANSWER
Did the vendor meet its budgetary goals, exercising reasonable efforts to contain costs, including change order pricing?	Yes
Has the vendor met any/all of the minority, women and emerging business enterprise participation goals and/or Local Business enterprise requirements, to the extent applicable?	Yes
Did the vendor and any/all subcontractors comply with applicable Prevailing Wage requirements?	Yes
Did the vendor maintain adequate records and logs, and did it submit accurate, complete and timely payment requisitions, fiscal reports and invoices, change order proposals, timesheets and other required daily and periodic record submissions (as applicable)?	Yes
Did the vendor submit its proposed subcontractors for approval in advance of all work by such subcontractors?	Yes
Did the vendor pay its suppliers and subcontractors, if any, promptly?	Yes
Did the vendor and its subcontractors perform the contract with the requisite technical skill and expertise?	Yes
Did the vendor adequately supervise the contract and its personnel, and did its supervisors demonstrate the requisite technical skill and expertise to advance the work	Yes
Did the vendor adequately staff the contract?	Yes
Did the vendor fully comply with all applicable safety standards and maintain the site in an appropriate and safe condition?	Yes
Did the vendor fully cooperate with the agency, e.g., by participating in necessary meetings, responding to agency orders and assisting the agency in addressing complaints from the community during the construction as applicable?	Yes
Did the vendor adequately identify and promptly notify the agency of any issues or conditions that could affect the quality of work or result in delays, and did it adequately and promptly assist the agency in resolving problems?	Yes
Performance and Overall Quality Rating Satisfactory	Good

71% - 80% ----- Satisfactory  
81% - 90% ----- Good  
91% - 100% ----- Excellent

# Project Budget

Construction	\$8,251,375
Project Contingency (15%)	\$1,237,706
Total	\$9,489,081*

\*Full funding for this project has been allocated and approved by OMB

# Capital Committee Approval Request

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- Authorizing the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) to execute a contract with Crescent Contracting Corp. (the “Contractor”), to undertake a project to install sprinklers and fire alarms in the administrative offices of Building #4 of NYC Health + Hospitals/Jacobi Medical Center for a contract amount of \$8,251,375, with a 15% project contingency of \$1,237,706, to bring the total cost not to exceed \$9,489,081

**CONTRACT APPROVAL**

**ARK SYSTEMS ELECTRICAL CORP.**

**BLDG. 1 FIRE ALARM UPGRADE**

**NYC HEALTH + HOSPITALS / JACOBI**

## **RESOLUTION**

Authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a contract with Ark Systems Electrical Corp. (the "Contractor"), to undertake a fire alarm upgrade of Building #1 of NYC Health + Hospitals/Jacobi Medical Center for a contract amount of \$10,800,000, with a 15% project contingency of \$1,620,000, to bring the total cost not to exceed \$12,420,000.

**WHEREAS**, the fire alarm system at Jacobi Medical Center's ("Jacobi") Building #1 is nearing the end of its service life; and

**WHEREAS**, due to the current state of the fire alarm system, it has been determined that a project should be undertaken to replace the entire fire alarm system in Building #1 that will meet current FDNY and DOB codes; and

**WHEREAS**, the replacement includes a new fire alarm command center panel, new fire alarm devices throughout the building, smoke purge system upgrades, new stair pressurization system, and new emergency electrical connections to support the new system; and

**WHEREAS**, in accordance with Operating Procedure 100-5 a solicitation was issued, pursuant to which bids were received and publicly opened on January 23, 2024, and NYC Health + Hospitals determined that the Contractor submitted the lowest responsible bid; and

**WHEREAS**, the Contractor has met all, legal, business and technical requirements and is qualified to perform the services as required in the contract documents; and

**WHEREAS**, the overall responsibility for the administration of the proposed contract shall be with the Vice President, Facilities Development.

**NOW, THEREFORE, be it**

**RESOLVED** that the New York City Health and Hospitals Corporation be and hereby is authorized to execute a contract with Ark Systems Electrical Corp. in the amount of \$10,800,000 to undertake the upgrade of the fire alarm along with associated other equipment at NYC Health + Hospitals/Jacobi Medical Center, Building #1.



**EXECUTIVE SUMMARY  
JACOBI MEDICAL CENTER  
FIRE ALARM SYSTEM REPLACEMENT CONTRACT  
ARK SYSTEMS ELECTRICAL CORP.**

<b>CONTRACT SCOPE:</b>	Fire alarm system upgrade
<b>NEED:</b>	NYC Health + Hospitals facilities needs general construction and electrical services to undertake the fire alarm system upgrade project at Jacobi Medical Center, Building #1.
<b>CONTRACT DURATION:</b>	18 months, slated to commence Spring of 2024 with anticipated completion in Winter 2025.
<b>PROCUREMENT:</b>	A competitive sealed bid was issued on November 20, 2023; eight contractors attended the pre bid on site visits on 12/7/2023 and 12/8/2024; three contractors submitted bids with the lowest responsible and responsive bidder being Ark Systems Electrical Corp. for a contract not to exceed total of \$12,420,000.
<b>PRIOR EXPERIENCE:</b>	Ark systems Electrical Corp. has previously worked on the Bellevue Men's Shelter project. They have also previously worked on projects for NYCHA, SCA, DDC, and DHS and have received one rating of excellent and three ratings of good.
<b>CONTRACT AMOUNT:</b>	Not to Exceed \$12,420,000.
<b>PASSPORT APPROVAL:</b>	Approved
<b>EEO APPROVAL:</b>	Approved
<b>MWBE STATUS:</b>	Contractor is a certified MWBE contractor, therefore 100% of the contract is MWBE.



To: Colicia Hercules  
Chief of Staff, Office of the Chair

From: Franco Esposito *Franco Esposito*  
Senior Counsel  
Office of Legal Affairs

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

Vendor: Ark Systems Electrical Corp.

Date: February 22, 2024

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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:

**Vendor Responsibility**

Approved

**EEO**

Approved

**MWBE**

100%

**Request to Award Contract to  
Ark Systems Electrical Corp.  
for Fire Alarm Upgrade  
at NYC H+H/ Jacobi Medical Center – Building #1**

**Capital Committee  
March 11, 2024**

**Christopher Mastromano, Chief Executive Officer, NYC H+H/Jacobi  
Ellen Barlis, Chief Financial Officer, NYC H+H/Jacobi  
Hiba Hadeed, Director of Design & Construction, NYC H+H/Jacobi  
Manuel Saez, PhD, Vice President, OFD  
Oscar Gonzalez, Senior Assistant Vice President, OFD  
Erin Egan, Senior Director, OFD**



## For Capital Committee Consideration

---

- Authorizing the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) to execute a contract with Ark Systems Electrical Corp. (the “Contractor”), to undertake a fire alarm upgrade of Building #1 of NYC Health + Hospitals/Jacobi Medical Center for a contract amount of \$10,800,000, with a 15% project contingency of \$1,620,000, to bring the total cost not to exceed \$12,420,000



## Program Background & Scope

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- The existing fire alarm system at Jacobi's building #1 is nearing the end of its service life.
- The scope of the project is a complete replacement of the existing fire alarm system throughout the entirety of building 1.
- The new fire alarm system will be in compliance with current FDNY and DOB codes.
- Renovations will include:
  - New Fire Alarm Command Center panel
  - New fire alarm devices throughout
  - Smoke purge system upgrades and new stair pressurization system
  - New emergency electrical connections to support the new system
- Construction start date of Spring 2024 - Completion date of Winter 2025 (18 Months)



# Overview of Procurement

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- 12/7/23 & 12/8/23: Site tour for bidders; eight (8) vendors attended
- 1/23/24: Bid due date, 3 bids received
- 2/15/24: Determination of low bid finalized, and Ark Systems Electrical Corp. was selected based on the lowest bid amount and responsibility requirements.



# Construction Contract

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- Procurement is sourced via public bid
- Ark Systems Electrical Corp. Was the lowest of three (3) bidders
- Ark Systems Electrical Corp. Is an MBE corporation and will be self-performing Electrical services for this contract
- Contract amount is \$10,800,000
- Ark Systems Electrical Corp is an electrical contractor. The ratings listed in MOCs included 1 Excellent and 3 Good.
- Ark Systems has previously worked with DASNY on the Bellevue Men's Shelter project. Other public agency work includes NYCHA, SCA, DDC, and DHS.
- Construction expected to begin Summer 2024 completion in expected in Winter 2025 (18 Months)



# Project Budget

Elmhurst EES	
Construction	\$10,800,000
Project Contingency (15%)	\$1,620,000
Total	\$12,420,000*

\*Full funding for this project has been allocated and amended CP is pending with OMB for approval





# Capital Committee Approval Request

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- Authorizing the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) to execute a contract with Ark Systems Electrical Corp. (the “Contractor”), to undertake a fire alarm upgrade of Building #1 of NYC Health + Hospitals/Jacobi Medical Center for a contract amount of \$10,800,000, with a 15% project contingency of \$1,620,000, to bring the total cost not to exceed \$12,420,000



**CONTRACT APPROVAL**

**ATLANTIC SPECIALTY INC.**

**PARKING GARAGE RENOVATION**

**NYC HEALTH + HOSPITALS / LINCOLN**

## **RESOLUTION**

Authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a contract with Atlantic Specialty, Inc. (the "Contractor"), to undertake a parking garage renovation project of the main building of NYC Health + Hospitals/Lincoln Hospital for a contract amount of \$4,708,790, with a 20% project contingency of \$941,758, to bring the total cost not to exceed \$5,650,548.

**WHEREAS**, the parking garage at Lincoln Hospital is interconnected to the main building and has been in service since 1976; and

**WHEREAS**, due to water infiltration throughout the garage, it has been determined that a project should be undertaken to address such water infiltration issues as well as to develop a preventative maintenance program to optimize its useful life; and

**WHEREAS**, in accordance with Operating Procedure 100-5 a solicitation was issued, pursuant to which bids were received and publicly opened on January 5, 2024, and NYC Health + Hospitals determined that the Contractor submitted the lowest responsible bid; and

**WHEREAS**, the Contractor has met all, legal, business and technical requirements and is qualified to perform the services as required in the contract documents; and

**WHEREAS**, the overall responsibility for the administration of the proposed contract shall be with the Vice President, Facilities Development.

**NOW, THEREFORE, be it**

**RESOLVED** that the New York City Health and Hospitals Corporation be and hereby is authorized to execute a contract with Atlantic Specialty, Inc. in the amount of \$4,708,790 for a garage renovation project to address the water infiltration issues at NYC Health + Hospitals/Lincoln Hospital.

**EXECUTIVE SUMMARY  
LINCOLN HOSPITAL  
PARKING GARAGE RENOVATION PROJECT  
ATLANTIC SPECIALTY, INC.**

<b>CONTRACT SCOPE:</b>	Garage renovation project
<b>NEED:</b>	NYC Health + Hospitals facilities needs general construction services to undertake the garage renovation project at Lincoln Hospital.
<b>CONTRACT DURATION:</b>	24 months, slated to commence Spring of 2024 with anticipated completion in Spring 2026.
<b>PROCUREMENT:</b>	A competitive sealed bid was issued on 12/1/2023; eleven contractors attended the pre bid on site visit on 12/7/2023 and nine contractors attended the pre bid on site visit on 12/8/2024; nine contractors submitted bids with the lowest responsible and responsive bidder being Atlantic Specialty, Inc. for a contract not to exceed total of \$5,650,548.
<b>PRIOR EXPERIENCE:</b>	Atlantic Specialty, Inc. has previously worked on the Bellevue Morgue project. They have also previously worked on a project for DDC and received a rating of good.
<b>CONTRACT AMOUNT:</b>	Not to Exceed \$5,650,548.
<b>PASSPORT APPROVAL:</b>	Approved
<b>EEO APPROVAL:</b>	Approved
<b>MWBE STATUS:</b>	Contractor is a certified MWBE contractor, therefore 100% of the contract is MWBE.



To: Colicia Hercules  
Chief of Staff, Office of the Chair

From: Franco Esposito *Franco Esposito*  
Senior Counsel  
Office of Legal Affairs

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

Vendor: Atlantic Specialty, Inc.

Date: February 22, 2024

---

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:

**Vendor Responsibility**

Approved

**EEO**

Approved

**MWBE**

100%

# **Request to Award Contract to Atlantic Specialty Inc for Parking Garage Renovation Project at NYC H+H/Lincoln Hospital**

**Capital Committee  
March 11, 2024**

Chris Roker, Chief Executive Officer, NYC H+H/Lincoln

Manuel Saez, PhD, Vice President, OFD

Oscar Gonzalez, CCM, Senior Assistant Vice President, OFD

Erin Egan, Senior Director, OFD

# For Capital Committee Consideration

---

- Authorizing the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) to execute a contract with Atlantic Specialty, Inc. (the “Contractor”), to undertake a parking garage renovation project of the main building of NYC Health + Hospitals/Lincoln Hospital for a contract amount of \$4,708,790, with a 20% project contingency of \$941,758, to bring the total cost not to exceed \$5,650,548



# Program Background/History/Scope

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- The Parking Garage is original to NYC H+H/Lincoln Hospital, and has been in service for since 1976
- The Parking Garage is interconnected to the main building
- The goal of the project is to undertake the renovation of the parking garage
- The work is to update and refresh the current garage that has been in service for over 45 years
  - Water has been infiltrating the structure in various locations
  - Work is needed to stop the infiltration and remediate the damage caused
  - The remediation will include patching and repair of the concrete, rebar corrosion remediation, and installation of expansion joint replacements that will ensure a longer life for the structure.
- Project is to be completed in multiple Phases while the parking Garage remains open for the staff and visitors to NYC H+H/Lincoln Hospital
- Develop a preventative maintenance program for the Parking Garage to optimize the useful life of the Capital asset



# Overview of Procurement

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- 12/1/2023 – Solicitation posted to City Record
- 12/7/2023 - Site tour for bidders; 11 Total contractors attended
- 12/8/2023 - Site tour for bidders; 9 Total contractors attended
- 1/5/2024 - 9 Bids were received
- 1/7/2024 - Determination of low bid finalized, and Atlantic Specialty Inc. was selected based on the lowest bid amount and responsibility requirements.

- Sourced via public bid
- Atlantic Specialty Inc. was the lowest of the 9 bidders and is an MBE
- Atlantic Specialty has completed excavation, concrete, carpentry, and electrical work for the morgue in Bellevue.
- Atlantic Specialty Inc. has one Good rating in MOCS from DDC.
- Contract amount is \$4,708,790
- Construction is expected to begin Spring 2024 with construction completion expected by Spring 2026

# Project Budget

Lincoln Parking Garage	
Construction	\$4,708,790
Project Contingency (20%)	\$941,758
Total	\$5,650,548

\*Full funding for this project has been allocated and CP is to be submitted to OMB

# Capital Committee Approval Request

---

- Authorizing the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) to execute a contract with Atlantic Specialty, Inc. (the “Contractor”), to undertake a parking garage renovation project of the main building of NYC Health + Hospitals/Lincoln Hospital for a contract amount of \$4,708,790, with a 20% project contingency of \$941,758, to bring the total cost not to exceed \$5,650,548