

City of New Rochelle
Development

MEMORANDUM

TO: Honorable Mayor and City Council
THRU: Charles B. Strome, III, City Manager
FROM: Adam Salgado, Commissioner of Development
DATE: November 15, 2022
SUBJECT: PROPOSED LEASE AGREEMENT WITH NEW ROC PARCEL 1A RETAIL LLC AT 173 HUGUENOT STREET FOR MINORITY AND WOMEN CONTRACTORS AND DEVELOPERS ASSOCIATION (MWCDA) - Resolution authorizing the City Manager to execute a lease agreement with New Roc Parcel 1A Retail LLC at 173 Huguenot Street for Minority and Women Contractors and Developers Association (MWCDA).

Introduction:

In order to build capacity of local individuals and minority-owned businesses, the City issued Request for Proposal 5407 on September 7, 2021 to solicit proposals from qualified firms to design and operate a Local and Minority-focused vocational training and business acceleration program.

Background:

On January 11, 2022, City Council unanimously approved Resolution No. 2022-1 authorizing the City Manager to enter into an agreement with Minority and Women Contractors & Developers Association, Inc. (herein referred to as “MWCDA”). One part of the authorized program is to provide vocational training, which will be conducted by Andromeda Community Initiative (herein referred to as “ACI”), for individuals in a facility provided by the City of New Rochelle.

Over the last few months, City staff undertook a search of New Rochelle properties to locate a facility that would be suitable for ACI’s vocational training. Property requirements included approximately 5,000 sq. ft of open space. and approximately 19-foot-high ceilings to facilitate scaffolding training. A facility meeting the aforementioned requirements was located at 173 Huguenot Street. The design and build out of the space, to the City’s specifications, will be completed by the property’s landlord.

On August 12, 2022, the City Manager circulated an email to City Council seeking informal approval of the lease agreement so that work could begin on the required space. The email stated that the request for formal approval would be brought to City Council once finalized.

Recommendations:

Staff recommends that City Council authorize the City Manager to enter into a lease agreement with New Roc Parcel 1A Retail, LLC for an initial term of three (3) years beginning January, 2023 with a total three (3) year base rent cost of \$382,550. The cost of the annual rent for 2023 is included in the City's proposed 2023 budget.

Additionally, the cost of the space build-out, approximately \$750,000, will be credited against the Community Benefit Bonus payment for 327 Huguenot Street.

LEGISLATION

RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A LEASE AGREEMENT WITH NEW ROC PARCEL 1A RETAIL LLC AT 173 HUGUENOT STREET FOR MINORITY AND WOMEN CONTRACTORS AND DEVELOPERS ASSOCIATION (MWCDA).

WHEREAS, in January 2022 the City Council unanimously approved Resolution No. 2022-1 authorizing the City Manager to enter into an agreement with Minority and Women Contractors & Developers Association, Inc. (“MWCDA”) to design and operate a Local and Minority-focused vocational training and business acceleration program; and

WHEREAS, one part of the authorized program is to provide vocational training, which will be conducted by Andromeda Community Initiative (“ACI”), for individuals in a facility provided by the City of New Rochelle; and

WHEREAS, property requirements included approximately 5,000 square feet of open space and approximately 19-foot-high ceilings to facilitate scaffolding training; and

WHEREAS, a facility meeting the aforementioned requirements was located at 173 Huguenot Street; and

WHEREAS, the design and build out of the space, to the City’s specifications, shall be completed by the property’s landlord; now, therefore

BE IT RESOLVED, that the City Council of the City of New Rochelle hereby authorizes the City Manager to execute a lease agreement with New Roc Parcel 1A Retail, LLC for an initial term of three (3) years beginning January, 2023 with a total three (3) year base rent cost of \$382,550; and be it further

RESOLVED, that the cost of the annual rent for 2023 is included in the City’s proposed 2023 budget for commercial space at the Train Station; and be it further

RESOLVED, that the cost of the space build-out, approximately \$750,000, shall be credited against the Community Benefit Bonus payment for 327 Huguenot Street.